

TERMS & CONDITIONS

1. Who may instruct us

You confirm that you, and any other person you nominate in writing from time to time (provided we have acknowledged such nomination), are authorised to give us instructions and information on behalf of all persons we are acting for and to receive our advice and documents on their behalf.

If we are acting for a business, and we receive conflicting advice, information or instructions 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.

2. You and your spouse/partner

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 let us know.

3. Know your customer

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.

4. Your responsibilities

You must provide us with all information necessary for dealing with your affairs including information which we reasonably request, in sufficient time to enable our services to be completed before any applicable deadline. We will rely on such information being true, correct and complete and will not audit the information

You authorise us to approach such third parties as may be appropriate for information that we consider necessary to deal with your affairs.

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

5. Qualifications on our services

To the extent our services involve the performance of services established by law, nothing in the engagement letter or these terms reduce our obligations under such law.

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

Our services are limited exclusively to those you have engaged us to perform. Unless otherwise specified in the engagement letter, our services cannot be relied upon to disclose irregularities and errors, including fraud and other illegal acts, in your affairs. Neither an audit nor a review will be conducted and, accordingly, no assurance will be expressed.

Where our engagement is recurring, we may amend our engagement letter and these terms where we consider it is necessary or appropriate to do so. If you do not accept such amendments, you must notify us promptly in which case you may terminate our engagement in accordance with section 18 below and those amendments will not apply prior to such termination.

6. Reliance on advice

We will endeavour to record all advice on important matters in writing. Advice given verbally is not intended to be relied upon unless confirmed in writing. If we provide verbal advice (for example during a meeting or telephone conversation) that you wish to rely on, you must ask us to confirm the advice in writing.

7. Investment and financial advisory advice

We will not provide you with investment or financial advice regulated under the *Corporations Act 2001* (Cth) unless we have expressly agreed to do so in writing, specifying an applicable Australian Financial Services Licence number.

8. Professional obligations

We will comply with the professional and ethical standards of the Accounting Professional and Ethical Standards Board, available at apesb.org.au. This includes APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*, which among other things contains provisions that apply if we become aware of any actual or potential 'non-compliance with governing laws or regulations' (NOCLAR). Where any such non-compliance poses substantial harm (such as serious adverse consequences to investors, creditors, employees, auditor, group auditor or the public), we may be required to disclose the matter to an appropriate authority.

9. Conflicts of interest

We will inform you if we become aware of any conflict of interest in our relationship with you (including between the various persons 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 then we will be unable to provide further services to some or all of the persons to whom this engagement applies. If this arises, we will inform you 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.

10. Fees and payment

Our fees will be charged on the basis set out in the engagement letter and have been set based on the level of skill, responsibility, importance and value of the advice, as well as the level of risk.

If we have provided you with an estimate of our fees for any specific work, this is an estimate only and our actual fees may vary.

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 some cases, you may be entitled to assistance with your professional fees, particularly in relation to any investigation into your tax affairs by the ATO. Assistance may be provided through insurance policies you hold or via membership of a professional or trade body. Other than where such insurance was arranged through us, you will need to advise us of any such insurance cover that you have. You will remain liable for our fees regardless of whether all or part are to be paid by someone else.

We may bill progressively (monthly/quarterly, or as otherwise agreed), throughout our engagement. Our invoices are due within 14 days of issue or as otherwise noted on the invoice.

Where we agree to invoice on a periodic basis (such as monthly or quarterly), and our ongoing engagement is terminated by either party, we will invoice you in full in respect of any services that have been provided up to the date of termination of our engagement.

Our fees set out in our engagement letter are exclusive of GST which will be added to our invoice where it is chargeable. Any disbursements and expenses we incur in the course of performing our services will be added to our invoices where appropriate.

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 charge interest on late paid invoices at the rate of 1% per month. We may also suspend our services or to cease to act for you on giving written notice if payment of any fees is unduly delayed.

We may delay lodgement of documents (including but not limited to income tax returns and activity statements), with the ATO or other regulatory authority from time to time, where payment in respect of any amount owing to us remains outstanding (and notwithstanding that such payment may otherwise fall within the due date specified on our invoices.)

Where we incur costs in pursuing and enforcing payment of outstanding amounts owed to us, we reserve the right to recoup such additional costs from you.

We intend to exercise these rights only where it is fair and reasonable to do so.

11. Lien

If permitted by law or professional guidelines, we may exercise a lien over all materials or records in our possession relating to all engagements for you until all outstanding fees and disbursements are paid in full.

12. Client monies

We do not maintain a trust account for dealing with client monies on their behalf.

13. Confidentiality

We will take all reasonable steps to keep your information confidential, except where:

- we need to disclose your information to our service providers (including auditors of client monies if applicable) or regulatory bodies in performing the services, our professional advisers or insurers or as part of an external peer review from time to time. Our files may also be subject to review as part of the quality review program of Chartered Accountants Australia and New Zealand, or Tax Practitioners Board. By accepting this engagement you acknowledge that, if requested, our files relating to this engagement will be made available under this program. We will take reasonable steps to ensure any such recipient (other than a regulatory body) keeps such information confidential on the same basis;
- we are required by law, regulation, a court of competent authority, or those professional obligations referred to in section 8 above, to disclose the information;
- we provide limited information (but only to the extent reasonably necessary) to potential purchasers (or their professional advisors) of our practice but we will take reasonable steps to ensure that any such recipient keeps the disclosed information confidential; or

- you give us permission to disclose the information.

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. We will continue to hold such information confidentially.

We may mention that you are a client for promotional purposes.

14. Privacy

You must make all necessary notifications and obtain any necessary consents for us to process personal information you provide to us. We collect and use that personal information for the purposes of providing the services described in the engagement letter to you and we will comply with the *Privacy Act 1988* (Cth) when processing that personal information. Our privacy policy provides further details of our privacy practices.

15. Ownership of materials

We own the copyright and all other intellectual property rights in everything we create in connection with this engagement. Unless we agree otherwise, anything we create in connection with this agreement may be used by you only for the purpose for which you have engaged us.

All working papers prepared by us (in any form whatsoever, including physical and electronic) remain our property. We will retain these papers in accordance with our normal record keeping practices in accordance with our professional and legal obligations.

You agree we can use your logos and trademarks for the sole purpose of providing advice to you in connection with the engagement, unless you tell us otherwise.

16. Limitation of liability

Our liability is limited by a scheme approved under Professional Standards Legislation.

You agree not to bring any claim against any of our principals, partners, directors, shareholders 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.

17. Limitation of third-party rights

Our advice and information is for your sole use, and we accept no responsibility to any third party, unless we have expressly agreed in the engagement letter that a specified third party may rely on our work.

18. Termination

Each of us may terminate this agreement by giving not less than 21 days' notice in writing to the other party except where a conflict of interest has arisen, you fail to cooperate with us or 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. Termination will not affect any accrued rights.

19. 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 other 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.

20. Applicable Law

Our engagement is governed by the laws of Victoria. The courts sitting in that State will have non-exclusive jurisdiction in relation to any dispute between us.

21. Interpretation

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

22. Disputes and complaints

If you have any concerns about our costs or services, please speak to the person responsible for this engagement, who is identified in our engagement letter. To resolve your concerns we have policies and procedures in place to deal appropriately with complaints and will use best endeavours to resolve a complaint or dispute to the mutual satisfaction of the parties involved. We may require you to detail your complaint in writing to allow us to fully investigate any concerns that you raise.

Where your complaint concerns a tax agent service that we have provided, you also have the right to make a complaint to the Tax Practitioners Board in accordance with their complaints process described here <https://www.tpb.gov.au/complaints>.

23. Third party responsibilities

We may utilise outsourced service providers (OSP) and cloud computing service providers (CCSP), including:

Type	Name	Location	Details
CCSP	BGL Corporate Solutions (CAS360)	Australia	Software which manages data only as part of providing our Company Secretarial services
CCSP	BGL Corporate Solutions (SMSF360)	Australia	Primary software used for SMSF accounting and taxation preparation
CCSP	Xero	Australia	Primary software used for all other accounting and taxation preparation
CCSP	Microsoft Sharepoint	Australia	Securely online file storage
OSP	Neo Super	Australian company, with employees based in India and The Philippines	SMSF administration services. At all times Formic Advisory remains the tax agent, and retains ultimate responsibility for the quality of the service



CCSP	Box	Australia	May be used to securely store and share files between Formic Advisory and Neo Super
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and other third parties from time to time and as separately notified to you.

To perform the services, we may provide these third parties with access to your data to the extent this is required to perform the services.

Your data will be stored in servers physically located in Australia (unless otherwise specified) and in accordance with the security practices of the third-party service provider and our Privacy Policy. Unless otherwise specified, all CCSPs disclosed above maintain ISO 27001 certification. This is an internationally recognised information security management standard that specifies leading practices and comprehensive security controls.

As your trusted adviser, we are acutely aware of our duty to you, to ensure we provide a high-quality service whilst maintaining utmost standards of privacy and confidentiality. The safety of your sensitive data is top of mind at all times.

24. Consumer Data Rights

You may consent for an Accredited Data Recipient under the Consumer Data Right (CDR) to disclose your CDR data to us. You may nominate us as your Trusted Adviser for this purpose. As your Trusted Adviser, we will only access the data necessary to provide the services in this engagement letter.

25. Register of Tax Agents and BAS Agents available for you to search

The Tax Practitioners Board (TPB) maintains a register with details of registered, suspended and deregistered tax and BAS agents. This register is available to the public to search at <https://www.tpb.gov.au/public-register>.

For details of other information which we consider may be relevant to your decision to engage us to provide relevant services, please visit www.formicadvisory.com.au.