

# SmithFeutrill

## General Terms of Business

### Service Agreement with SMITH FEUTRILL

These terms and conditions form part of your Service Agreement with Smith Feutrill Pty Ltd ACN 132 844 369 (“we” or “us”), together with the engagement letter provided by us to you. Accordingly it is important that the engagement letter be read in conjunction with the terms and conditions contained in this Appendix.

This Service Agreement will remain in force unless it is terminated, amended or suspended in writing.

### The SMITH FEUTRILL Commitment to You

- We will undertake the engagement as described in the enclosed Service Agreement and in accordance with these terms and conditions and the requirements of relevant laws and accounting standards.
- We will use appropriate skill and care in undertaking the engagement.
- We will act with integrity, honesty and openness in everything we do.
- We will respect the confidentiality of our relationship.
- We will look for opportunities to value add to your business and your personal wealth
- We may be required to withdraw from the engagement and notify the ATO or TPB if false or misleading statements are made or if required under law.
- We will take reasonable care to understand your state of affairs and apply tax laws correctly.

### Your Commitment to Us

- You will be open, frank and honest with us at all times and notify us of any relevant change in circumstance.
- You will co-operate with us and provide us with all information necessary to complete the engagement in a timely manner.
- You will inform us immediately of any concerns you have about our work.
- You will pay your account in accordance with our agreed payment terms.
- You must notify us if the information previously provided becomes misleading or incomplete.
- You must comply with all obligations under Australian tax law.

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### 1. Scope of services

The services we will provide will be limited exclusively to those outlined in the engagement letter.

Should circumstances arise that cause you to request services outside of the agreed scope, we will agree with you the nature and scope of these additional services and depending on the circumstances the fees, payment and other service terms before the commencement of these additional services.

Our agreed procedures do not include verification or validation procedures. They are not to be construed as providing audit or other assurance of information provided.

Our engagement procedures cannot be relied on to detect irregularities including fraud, other illegal acts or errors that may exist. We will however inform you of any such matters should they happen to come to our attention.

By engaging our services, you agree that we may utilise AI technology to assist in the delivery of our services, while ensuring confidentiality and professional standards are upheld. We may also engage the services of our offshore staff.

## **2. Your disclosure and record keeping obligations**

You are required by law to keep full and accurate records relating to your tax affairs for 5 years. 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 engagement within a timely manner or as requested. This includes providing accurate and complete responses to questions asked of you by us within a reasonable timeframe. 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.

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 event 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**. Any advice provided by us is only an opinion based on our knowledge of your particular circumstances.

By accepting the terms of this letter, 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.

## **3. Taxation Services**

You will be required to provide us with all the necessary assistance and information to ensure that statutory returns and tax returns are accurate, complete and lodged within the prescribed period.

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. 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.

Before we lodge any statutory documents on your behalf, we may ask you to approve draft documentation. We will ensure that documents are lodged with the relevant entity by the due date, provided you have supplied us with all the necessary information and documents in adequate time to allow for the preparation and lodgement of the required documentation.

Where we are engaged to provide an opinion on a taxation matter and unless otherwise stated, our opinion will be based on the Australian tax law in force and the practice of the Australian Taxation Office (the ATO) applicable as at the date of the advice letter or correspondence.

Accordingly 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 subject to frequent change and our advice will not be updated unless specifically requested by you.

**4. Tax Agent Appointment**

Where we are expected to prepare and lodge statutory returns on your behalf, you agree to appoint us as your tax agent, ASIC agent or equivalent.

**5. Our obligation to comply with the law**

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 respect.

**6. Conflict of Interest**

You are 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 engagement are changes to your business circumstances, events affecting your family (e.g. death and/or marriage breakdown) or a legal action commencing against you.

**7. Penalties**

Failure to provide us with all information necessary to complete the engagement in a timely manner may incur penalties from regulators. We are not responsible for any penalties incurred for late lodgement of the required information in these circumstances.

**8. Liability to third parties**

To the extent permitted by law, we do not accept liability for any loss or damage which any person, other than you, may suffer arising from any negligence on our part.

**9. Limitation of Liability**

Our liability is limited by a scheme approved under Professional Standards Legislation. Further information on the scheme is available from the Professional Standards Council's website at [www.professionalstandardscouncil.gov.au](http://www.professionalstandardscouncil.gov.au)

**10. Ownership**

The final documents that we are specifically engaged to prepare, together with any original documents provided to us by you, are your property. Any documents brought into existence by us including accounting records, working papers, drafts and copies remain our property. For our internal quality purposes, we are entitled to retain a copy of any documentation or other material upon which our services are based.

**11. Dispute Resolution**

We have established dispute resolution processes, details of which are available on request.

**12. Trust account**

We maintain a separate trust account for dealing with all money and property received from you or on your behalf, except for amounts received from you in payment of our fees. We may apply these funds in payment of our bill with your written authorisation.

**13. Confidentiality**

For the purpose of this clause, "Confidential Information" means all non-public information or documents which either party receives or produces in connection with the services we provide to

you and includes our working papers, information and methodologies, but does not include any information which:

- (a) is or becomes generally available to the public other than as a result of a breach of this clause;
- (b) is known to either party prior us commencing the services;
- (c) is received from a third party who owes no obligation of confidence in respect of the information; or
- (d) is developed by either party independently.

Neither we nor you may disclose Confidential Information about or belonging to the other without the other's consent. However, we may disclose Confidential Information to contractors in relation to the provision of the services, to assist in quality assurance reviews or for our business purposes or if required for the proper performance of the services. Either party may disclose Confidential Information to its insurers or legal advisors, provided that the Confidential Information remains confidential, or if required to do so by law or by a regulatory authority including under subpoena.

#### **14. Fair Handling of Personal Information**

We have adopted principles regarding the way we handle your personal information which are set out in our Privacy Policy, which is available on our website at <http://www.smithfeutrill.com.au/privacy-policy/>. You confirm your agreement to the terms of our Privacy Policy.

#### **15. Quality Review**

Our files may be subject to review as part of the quality control program of The Institute of Chartered Accountants in Australia and CPA Australia, which monitor compliance with professional standards by their members. We advise you that by signing this letter you acknowledge that, if required, our files will be made available under this program. Strict confidentiality requirements apply under this program.

#### **16. Acceptance**

In the event that you do not sign and return the engagement letter then you will have accepted the Service Agreement by nonetheless continuing to provide your instructions to us. The Service Agreement will be effective in respect of the provision of all services by us irrespective of whether you have, or have not, signed and returned the Service Agreement.

In our sole discretion, we may refuse to provide services to you until we receive written acceptance of the Service Agreement.

#### **17. Liability of Signatory**

Any signatory for a proprietary limited company client is personally liable for the due performance of the named client's obligations as if the signatory were the named client.

#### **18. Termination**

Either party may terminate this agreement at any time, for any reason, by 30 days of written notice to the other party. Any unpaid fees that are outstanding as at the date of termination are to be paid within 14 days of the termination date.

In the event that we cease to act on your behalf for any reason, we reserve the right to retain all files, documents or other property pending payment by you of all amounts due to us.

**19. Payment for Our Services**

We prefer direct credit, cheque or BPay for payment, with details listed on your invoice or statement. We also offer credit card facilities for payment by Visa or MasterCard.

**20. Payment Terms**

Our standard trading terms are 14 days from date of invoice.

**21. GST**

The consideration payable for any supply made or to be made under this Service Agreement is exclusive of any goods and services tax ("GST"). If GST is payable on any supply made or to be made under this Service Agreement, you agree that the consideration payable for any such supply shall be increased by an amount equal to the amount of GST payable by us in respect of that supply.

**22. Discount payment**

Your invoice may be given a discount at our discretion, which will be shown on the invoice rendered. Any discount given, however, is subject to payment of the invoice rendered within our terms of 14 days. If payment is not made on time, the full non-discounted amount becomes payable.

**23. Suspension of Work**

After consideration of extenuating circumstances and any other relevant factors, we reserve the right to cease or suspend work where our invoices are overdue.

**24. Overdue Accounts**

We reserve the right to charge you interest on overdue invoices in accordance with the rate prescribed from time to time by Section 2 of the *Penalty Interest Rates Act 1983* calculated monthly in arrears on any outstanding balance from the due date of the invoice until date of payment in full.

In the event that third party costs are incurred in collection of an overdue account, we reserve the right to charge you those costs including legal fees, commissions, bank charges and court costs.

By engaging our services, you consent to us accessing your credit file in the event of any outstanding or overdue debts

**25. Lien**

You agree that until our fees are paid in full, we shall have a lien over all of your assets that are in our possession, including accounting records and any monies held on your behalf.

**26. Multiple Clients**

If there is more than one client referred to in our engagement letter, then each of those clients are jointly and severally liable for all amounts payable to us under this Service Agreement.