**BTG ENGAGEMENT LETTER**

Jon Doe

Managing Director

NBL CO PTY LTD

Sydney Australia

Dear Jon,

Thank you for the opportunity to assist NBL CO PTY LTD (ABN: 62 161 988 790) and related entities (**client, you, NBL**), with respect to its indirect tax obligations.

This engagement letter sets out the basis of your engagement with BTG International Services Pty Ltd (ABN: 68 656 659 004) (**we, our, us**).

1. **Scope of Services**

**Indirect Tax Analysis**

* 1. We will provide you with an indirect tax analysis encompassing GST.
  2. As part of the services, we will review the relevant accounting records and accounts, including indirect tax return compliance processes, general ledger GST account reconciliations and GST returns, for the purposes of allowing us to determine whether your indirect taxes (including GST, foreign indirect taxes, and any interest and penalties thereof) and any other related amounts, which have been paid or are payable, may be reduced, refunded or credited (**Reductions, Refunds or Credits**).
  3. We will provide the services within the specified timeframe or within a reasonable period, considering the context of the services.
  4. We will provide you the services in accordance with APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code), APES 220 *Taxation Services and the Code of Professional Conduct pursuant to Tax Agent Services Act* 2009.

**Other Services**

* 1. This agreement also covers additional services that may be requested from us, including other indirect tax analysis, advisory and assurance services, and indirect tax reporting services (such as the preparation and lodgement of your BAS). If instructed, you agree to appoint us as your tax agent.

1. **Fees and Payment** 
   1. Our professional fees for providing the services set out in item 1 are as follows:

**Indirect Tax Analysis**

* + 1. A fee equal to 25% of any and all Reductions, Refunds or Credits which you are entitled to receive from the relevant tax authorities, regulatory bodies and/or vendors.
    2. This fee is calculated based on the gross amount contained in the indirect tax recovery documentation prepared by us and will not be limited by any liability that may be applied or offset against such amount.
    3. You acknowledge that you have retained us on an exclusive basis for the provision of indirect tax analysis services. You agree not to perform a similar review, and/or engage any other parties to provide similar services, during the term of our engagement.
    4. If you fail to notify us of any Reductions, Refunds or Credits that you, your employees, contractors or appointed third parties have identified prior to the date of our engagement, and we identify the Reductions, Refunds or Credits during the term of our engagement, that Reductions, Refunds or Credits will be included in determining the amount of our professional fees.
  1. If we are unable to ascertain whether you are entitled to any Reductions, Refunds or Credits then we will not charge you for the services involved with reviewing your accounts and reporting to you.
  2. You must notify us immediately on receipt of any Reductions, Refunds or Credits which you or any of your related companies receive in connection with your use of one of our products.

**Other Services**

* 1. Where other indirect tax advisory, assurance and/or intelligence services are requested, these will be quoted on a separate basis. Such services will operate on a fixed fee basis.
  2. Unless other payment terms are agreed, each invoice is payable within 30 days of receipt.

1. **Reassessments and Challenges**
   1. In the event you receive an audit, challenge or reassessment notice from the relevant taxing authority, you must immediately notify us in writing and provide us with a copy of the notice.
   2. In such event, you agree that we have the right to challenge any determination made by the relevant taxing authority and defend any claims, at our expense.
   3. If our further challenges are unsuccessful, we will repay the professional fees you paid to us in respect of the audit, challenge or reassessment, including any penalties and part of the interest charges, calculated from the date we were engaged until the date of the reassessment notice.
2. **Term**
   1. This engagement will commence once this letter is signed and will continue until the provision of the services is completed.

Signed:

|  |  |  |  |
| --- | --- | --- | --- |
| Jon Doe  Managing Director  NBL CO PTY LTD |  |  | Nabil Chammas  Chief Executive Officer  BTG International Services Pty Ltd |

**General Terms and Conditions**

**1 Professional Standards Limitation of Liability**

We are a member of the Chartered Accountants Australia and New Zealand (**CA ANZ**) and abide by its professional standards and regulations (**Standards**), which facilitates the improvement of professional standards to protect consumers and may limit our liability to you in a cause of action. The Standards apply to professional accounting services including accounting, bookkeeping, taxation, auditing and assurance, insolvency and corporate reconstruction, management accounting, management consulting, forensic accounting, valuation services.

**2 Acceptance of Offer**

You accept our offer to provide you services as set out in our Engagement Letter above by:

(a) signing and returning this document to us, or:

(b) continuing to engage our services and you agree to pay for our services on these terms.

**3 Invoicing and Payment Arrangements**

Our usual policy is to issue a tax invoice as the work is in progress or after completion of the work. We may issue tax invoices on a more frequent basis depending on the nature of the work. All tax invoices are due and payable 30 days from the date of the tax invoice. You consent to us sending our tax invoices to you electronically at the email address as specified by you.

**4 Our Obligations**

(a) We are obliged to consider whether our clients create any threats to compliance with our Standards and where we cannot reduce the risk to an acceptable level we are obliged to cease the provision of our services under the Standards to decline or cease the client engagement.

(b) We have a duty to act in your best interests, unless this duty is inconsistent with our duty to act in the public interest.

(c) We will inform you:

i. of your rights and obligations available under taxation law, including any rights that might be available to seek a private ruling and the lodging of objections and appeals against adverse positions adopted by revenue authorities

ii. of any possible penalties and other legal tax consequences to enable you to make an informed decision.

(d) We are responsible for maintaining records for a period of 5 years unless otherwise required by legislation.

(e) If we are required by law or by reason of any judicial, regulatory, professional or administrative process (excluding any claim or regulatory action against us) to produce documents, provide information or give evidence in connection with the services, you agree to promptly cooperate with us, including providing any consent, to the extent necessary for us to comply with that requirement. We will discuss with you prior to incurring costs to agree a basis of fee in complying with that requirement.

(f) If we identify you have underpaid or overclaimed any GST during our review and preparation of a Business Activity Statement (BAS), we will notify you and seek your instructions to prepare a manual adjustment to the BAS before the lodgement due date. If we are unable to obtain your confirmation before the lodgement due date, you agree that we will adopt a conservative approach and insert the manual adjustment in the BAS to include underpaid GST or exclude any overclaimed GST so as to avoid late lodgement.

**5 Your Obligations**

1. You are responsible for full disclosure of all relevant information.
2. You must inform us if there are any relevant changes to your commercial activities.

(c) You are responsible for your own record keeping relating to your affairs.

(d) You are responsible for the reliability, accuracy and completeness of the particulars and information provided to us, and, if the engagement includes financial reporting, the accounting records and disclosures of all material and relevant information provided to us. Accordingly, any advice given to you is only an opinion based on our knowledge of your particular circumstances.

(e) Where we are required to extract data directly from your accounting systems, you are responsible for ensuring the reliability, accuracy and completeness of all transactions in your accounting systems.

(f) You are responsible for retaining paperwork for as long as legally required.

(g) You have obligations under self assessment to keep full and proper records in order to facilitate the preparation of accurate returns.

(h) You must retain paperwork for a period of five years after the assessment as you may be subject to an Australian Taxation Office review.

(i) You are responsible for checking the assessment before submission to ensure accuracy.

(j) You acknowledge and agree that you are responsible for any penalties and/or interest charged by the Australian Taxation Office.

(k) You acknowledge and agree that we are not responsible for any loss or damage you or any other person sustains, directly or indirectly, in connection with our reliance on the information you disclose and provide to us.

**6 Third Parties**

* + 1. We may from time to time engage third party specialist professionals and other public practitioners, where warranted to obtain the advice you need or to assist us to provide our service to you. These may include cloud service providers and outsourced service providers.
    2. We will seek your consent if third party involvement is likely to exceed the fixed price (if applicable).
    3. We have outsourcing arrangements with certain service providers whom we engage from time to time to assist us. The nature and extent of the services that we utilise will be disclosed to you.
    4. Acceptance of our services in conjunction with this engagement document indicates your acceptance of the use of outsourced services as described above.

**7 Insurance**

We hold professional indemnity insurance of at least the minimum amount prescribed by CA ANZ or as required by law.

**8 Retention of Your Documents**

1. You own all original and copies of original materials given to us.
2. We own all materials produced by us that resulted from our skill and attention to the extent that the materials produced by us incorporate any original materials you give to us.

(c) We may exercise a lien of your documents in our possession in the event of a dispute, which will be handled in accordance with our firm’s dispute resolution process.

(d) Subject to the payment of all outstanding professional fees and disbursements owing to us, we will provide you with materials produced by us for you in the event you engage the services of another practitioner and the materials are required by your new practitioner.

**9 Termination by Us**

We may cease to act for you or refuse to perform further work, including:

(a) while any of our tax invoices remain unpaid;

(b) if you do not within 7 days comply with any request to pay an amount in respect of disbursements or future costs;

(c) if you fail to provide us with clear and timely instructions to enable us to advance your matter;

(d) if you refuse to accept our advice or we deem our relationship untenable;

(e) if there are any ethical grounds which we consider require us to cease acting for you, for example a conflict of interest; or

(f) if in our sole discretion we consider it is no longer appropriate to act for you.

We will give you reasonable written notice of termination of our services. You will be required to pay our costs incurred up to the date of termination.

**10 Termination by You**

You may terminate our services by written notice at any time. However, if you do so you will be required to pay our costs incurred up to the date of termination (including any cancellation fees, internal and external disbursements).

**11 Confidentiality**

We will not share or disclose your details to anyone without your consent, except as otherwise specified in these terms, or where we may be required to disclose your information by law, or by any regulatory bodies (including any regulatory or accounting profession supervisory authorities in Australia or elsewhere).

1. **Privacy**
2. Our collection, use and disclosure of your personal information (PI) may be subject to the Privacy Act 1988 (Cth) and accordingly we will only collect PI about you that relates to the services. We may disclose PI about you with your implied consent for the primary purpose of providing the services or to third parties by express consent or as required by law. This PI may be accessed, stored and disclosed overseas. If you would like to access any PI we might hold about you, contact us.
3. We may collect PI about you, your representatives, your clients and others when we provide services to you. If we do, you agree to work with us to ensure that we both meet our respective obligations under the *Privacy Act 1988* (Cth). Your obligations may include ensuring your privacy policy and contracts include a reference to your collection practices, how you will use the PI and that you may disclose the PI to an agent for public accounting services. Where an outsourced service requires the disclosure of PI to an overseas recipient, we take reasonable steps to ensure that other third parties outside Australia to whom we disclose PI are subject to appropriate restrictions on their handling of that PI. However, we cannot guarantee that an overseas recipient will comply with and handle your PI in accordance with Australian privacy law.

(c) In providing our services to you, we utilise a cloud based server and we rely on their security measures. We also store client information in a data server which may be subject to Australian privacy law.

(d) If your PI is disclosed to CA ANZ your PI will be handled in accordance with the Australian privacy law, our privacy policy and CA ANZ privacy policy.

**13 GST**

Our professional fees, charges and expenses are GST exclusive unless otherwise stated. Where applicable, GST is payable on our professional fees and expenses and will be clearly shown on our tax invoices. By accepting these terms you agree to pay us an amount equivalent to the GST imposed on these charges.

**14 Deliverable**

Any Deliverable (**Deliverable**) is for your sole use and benefit and may only be used for the purposes set out in this agreement or otherwise agreed by us in writing. You may not provide any Deliverable to a third party unless required by law or with our prior written consent. The expression “any Deliverable” shall include any information which is obtained from or provided by us to the ATO or any relevant authority, whether by permitting release of any Deliverable to the ATO or any relevant authority, or providing explanations, making representations or disclosures, statements or disclosures in relation to any Deliverable.

**15 Governing Law**

The law of New South Wales governs these terms and fees in relation to any matter upon which we are instructed to act.

**16 Limitation of Liability**

1. To the extent permitted by law, our liability is limited to, in relation to services:  
   (i) re-performance of the services; or

(ii) the payment of the cost of having the services re-performed by an accountant nominated by us (Liability Cap).

1. You acknowledge that the Australian Professional Standards Legislation including the Treasury Legislation Amendment (Professional Standards) Act 2004 (Cth) (Professional Standards Legislation) may apply in accordance with its terms in relation to our maximum liability for loss or damage arising from or in relation to the provision of the services.
2. We are a participant in the current registered limitation of liability scheme under the Professional Standards Legislation known as the CA ANZ scheme.
3. To the extent permitted by law, if, under any applicable Professional Standards Legislation, our maximum liability for loss or damage arising from or in relation to the services would be:

(i) A higher amount than the Liability Cap, then the Liability Cap will not apply, and our maximum liability will be calculated in accordance with the Professional Standards Legislation; or

(ii) A lower amount than the Liability Cap, then the Liability Cap will not apply, and our maximum liability will be calculated in accordance with Professional Standards Legislation.