

Tax Probe[®] Plus

Policy Wording



Vero Tax Probe[®]

Welcome to Vero Enterprise	2
Who is the insurer?	2
How to contact us	2
About this Policy Wording	2
Part A – Your rights and responsibilities	3
Duty of Disclosure	3
Not meeting your responsibilities	3
Cooling off period	3
The amount of your premium	3
Paying your premiums	3
Excess	4
Fraudulent claims	4
Privacy statement	4
Complaints resolution	5
Financial Claims Scheme	6
General Insurance Code of Practice	6
Part B – Your policy terms and conditions	7
Important information about your insurance policy	7
In this insurance policy	7
Our contract with you	7
Paying by monthly instalments	7
How the Goods and Services Tax (GST) affects this insurance	7
General policy conditions	8
General claims conditions	9
When we may refuse a claim	10
Cancelling your policy	10
Tax Probe[®]	11
The cover we provide	11
Your insurance	11
Extra covers	13
What we pay	14
Excess	14
Definitions	15

Welcome to Vero Enterprise

Vero Enterprise is one of Australia's largest intermediated general insurance companies and is a member of the Suncorp Group of companies.

Vero Enterprise offers tailored solutions and superior claims management to its large range of customers, with insurance products in property, small business, commercial motor, professional indemnity, construction and engineering, liability, travel, marine and personal insurance.

With a strong network of brokers, agents and corporate partners, Vero Enterprise is Suncorp's primary intermediated Commercial Insurance brand nationally. Our specialist knowledge, combined with the scope of the Suncorp Group, ensures Vero is a powerful brand in today's competitive insurance market.

Vero Enterprise provides small business owners with insurance packages that offer a range of covers including property, liability and commercial motor.

Vero Enterprise policies are written in plain English. We aim to keep all your dealings with Vero Enterprise simple and straightforward.

Who is the insurer?

AAI Limited ABN 48 005 297 807 trading as Vero Enterprise, AFS Licence No. 230859 is the insurer and issuer of this insurance policy.

How to contact us

You may contact us by:

- ▼ Telephone: 1300 888 071
- ▼ Email: via the "contact us" page on our website www.vero.com.au
- ▼ Mail: Vero Enterprise
GPO Box 3999
Sydney NSW 2001

About this Policy Wording

This Policy Wording consists of 2 parts:

- ▼ Part A contains information about your rights and responsibilities, the General Insurance Code of Practice and how to contact us if you have a question or complaint.
- ▼ Part B contains the policy terms and conditions.

To understand the full terms and conditions of your policy, you must read the Your rights and responsibilities (Part A) and your Policy terms and conditions (Part B).

Part A – Your rights and responsibilities

Duty of Disclosure

You must comply with your Duty of Disclosure when you apply for insurance with us and each time you renew or alter your cover.

You have a duty of disclosure to tell us everything you know or should know, that is relevant to our decision to insure anyone under the policy, including you, and on what terms.

It includes matters we specifically ask about when you apply for a policy, or renew or alter your policy, and any other matters which might affect whether we insure you and on what terms.

The information you tell us can affect:

- ▼ the amount of your premium and your excess;
- ▼ if we will insure you; or
- ▼ if special conditions will apply to your policy.

You do not need to tell us of anything which:

- ▼ reduces the chances of you making a claim;
- ▼ we should know about because of the business we are in; or
- ▼ we tell you we do not want to know.

If you are unsure it is better to tell us. If you do not tell us something which you know or should know is relevant, we might reduce a claim, refuse to pay a claim, cancel your policy or, if fraud is involved we can treat the policy as if it had never existed.

The duty of disclosure applies to every person or organisation insured under the policy. If you fail to comply with your duty of disclosure we may be entitled to reduce our liability under the contract in respect of a claim or may cancel the contract. If your non-disclosure is fraudulent, we may also have the option of avoiding the contract from its beginning.

Not meeting your responsibilities

If you do not meet with your responsibilities outlined in your policy, or if you do not tell us everything relevant to our decision whether or not to insure you, or if you mislead us, we can refuse to pay a claim or reduce the amount we pay or cancel your policy.

If fraud is involved, we can treat your policy as if it never existed.

Cooling off period

You have the right to cancel and return the insurance policy or a section of the policy by notifying us in writing within 30 days of the date it was issued to you (“cooling off period”), unless you have a claim under the policy within the cooling off period.

If you cancel it in this time, we will return the amount you have paid.

To cancel at other times, please see “Cancelling Your Policy” on page 10.

The amount of your premium

The premium is the amount you pay us for this insurance. It includes stamp duty, GST, and other relevant government charges. Your premium is shown on your **schedule**.

In addition to the factors we use to calculate your premium, the discounts you qualify for also affect your premium. Your premium includes any discounts we have given you and these are applied before adding applicable government charges.

The premium does not include any service or administration fee charged to you by your insurance intermediary.

Paying your premiums

We will tell you how much you have to pay and how much time you have for payment.

You must pay your premium by the due date. For the first period of insurance, if you do not pay the premium owing by the due date, we can cancel your policy as set out in “Cancelling your Policy” on page 10.

For renewal policies, if you do not pay your premium by the due date, then the renewal policy will not commence and your cover will end at the expiry of the previous period of insurance.

Excess

This is the amount you have to pay if you suffer loss, damage or liability which leads to a claim under your policy. The amount and type of excess that applies to your policy is shown on your **schedule**.

Fraudulent claims

If you or anyone acting on your behalf or with your knowledge makes a claim that is false or causes loss or damage deliberately, we may do one or more of the following:

- ▼ refuse to pay a claim;
- ▼ cancel your policy;
- ▼ take legal action against you.

Privacy statement

AAI Limited trading as Vero Insurance is the insurer and issuer of your commercial insurance product, and is a member of the Suncorp Group, which we'll refer to simply as "the Group".

Why do we collect personal information?

Personal information is information or an opinion about an identified individual or an individual who is reasonably identifiable. We collect personal information so that we can:

- ▼ identify you and conduct appropriate checks;
- ▼ understand your requirements and provide you with a product or service;
- ▼ set up, administer and manage our products and services and systems, including the management and administration of underwriting and claims;
- ▼ assess and investigate any claims you make under one or more of our products;
- ▼ manage, train and develop our employees and representatives;
- ▼ manage complaints and disputes, and report to dispute resolution bodies; and
- ▼ get a better understanding of you, your needs, your behaviours and how you interact with us, so we can engage in product and service research, development and business strategy including managing the delivery of our services and products via the ways we communicate with you.

What happens if you don't give us your personal information?

If we ask for your personal information and you don't give it to us, we may not be able to provide you with any, some, or all of the features of our products or services.

How we handle your personal information

We collect your personal information directly from you and, in some cases, from other people or organisations. We also provide your personal information to other related companies in the Group, and they may disclose or use your personal information for the purposes described in 'Why do we collect personal information?' in relation to products and services they may provide to you. They may also use your personal information to help them provide products and services to other customers, but they'll never disclose your personal information to another customer without your consent.

Under various laws we will be (or may be) authorised or required to collect your personal information. These laws include the Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Personal Property Securities Act 2009, Corporations Act 2001, Autonomous Sanctions Act 2011, Income Tax Assessment Act 1997, Income Tax Assessment Act 1936, Income Tax Regulations 1936, Tax Administration Act 1953, Tax Administration Regulations 1976, A New Tax System (Goods and Services Tax) Act 1999 and the Australian Securities and Investments Commission Act 2001, as those laws are amended and includes any associated regulations.

We will use and disclose your personal information for the purposes we collected it as well as purposes that are related, where you would reasonably expect us to. We may disclose your personal information to and/or collect your personal information from:

- ▼ other companies within the Group and other trading divisions or departments within the same company (please see our Group Privacy Policy for a list of brands/companies);
- ▼ any of our Group joint ventures where authorised or required;
- ▼ customer, product, business or strategic research and development organisations;
- ▼ data warehouse, strategic learning organisations, data partners, analytic consultants;
- ▼ social media and other virtual communities and networks where people create, share or exchange information;
- ▼ publicly available sources of information;
- ▼ clubs, associations, member loyalty or rewards programs and other industry relevant organisations;
- ▼ a third party that we've contracted to provide financial services, financial products or administrative services – for example:

- ▼ information technology providers,
- ▼ administration or business management services, consultancy firms, auditors and business management consultants,
- ▼ marketing agencies and other marketing service providers,
- ▼ claims management service providers
- ▼ print/mail/digital service providers, and
- ▼ imaging and document management services;
- ▼ any intermediaries, including your agent, adviser, a broker, representative or person acting on your behalf, other Australian Financial Services Licensee or our authorised representatives, advisers and our agents;
- ▼ a third party claimant or witnesses in a claim;
- ▼ accounting or finance professionals and advisers;
- ▼ government, statutory or regulatory bodies and enforcement bodies;
- ▼ policy or product holders or others who are authorised or noted on the policy as having a legal interest, including where you are an insured person but not the policy or product holder;
- ▼ in the case of a relationship with a corporate partner such as a bank or a credit union, the corporate partner and any new incoming insurer;
- ▼ the Financial Ombudsman Service or any other external dispute resolution body;
- ▼ credit reporting agencies;
- ▼ other insurers, reinsurers, insurance investigators and claims or insurance reference services, loss assessors, financiers;
- ▼ legal and any other professional advisers or consultants;
- ▼ hospitals and, medical, health or wellbeing professionals;
- ▼ debt collection agencies;
- ▼ any other organisation or person, where you've asked them to provide your personal information to us or asked us to obtain personal information from them, eg your mother.

We'll use a variety of methods to collect your personal information from, and disclose your personal information to, these persons or organisations, including written forms, telephone calls and via electronic delivery. We may collect and disclose your personal information to these persons and organisations during the information life cycle, regularly, or on an ad hoc basis, depending on the purpose of collection.

Overseas Disclosure

Sometimes, we need to provide your personal information to – or get personal information about you from – persons or organisations located overseas, for the same purposes as in 'Why do we collect personal information?'

The complete list of countries is contained in our Group Privacy Policy, which can be accessed at www.vero.com.au/privacy, or you can call us for a copy.

From time to time, we may need to disclose your personal information to, and collect your personal information from, other countries not on this list. Nevertheless, we will always disclose and collect your personal information in accordance with privacy laws.

How to access and correct your personal information or make a complaint

You have the right to access and correct your personal information held by us and you can find information about how to do this in the Suncorp Group Privacy Policy.

The Policy also includes information about how you can complain about a breach of the Australian Privacy Principles and how we'll deal with such a complaint. You can get a copy of the Suncorp Group Privacy Policy. Please use the contact details in Contact Us.

Contact us

For more information about our privacy practices including accessing or correcting your personal information, making a complaint, or obtaining a list of overseas countries you can:

- ▼ Visit www.vero.com.au/privacy.
- ▼ Speak to us directly by phoning one of our Sales & Service Consultants on: 1300 888 073 or by
- ▼ Email us at claims@vero.com.au

Complaints resolution

We are committed to:

- ▼ listening to what you tell us;
- ▼ being accurate and honest in telling you about our products and services;
- ▼ communicating with you clearly; and
- ▼ resolving any complaints or concerns you have in a fair, transparent and timely manner.

If you have a complaint concerning this product or our services, please tell the people who provided your initial service or you can:

- ▼ Telephone: 1800 689 762
- ▼ Mail: Reply Paid 1453 Customer Relations Unit RE058,
GPO Box 1453 Brisbane QLD 4001 or
- ▼ Email: customer.relations@suncorp.com.au

What we will do to resolve your complaint

When you first let us know about your complaint or concern, we will review your complaint, consider the facts and attempt to resolve your complaint by the end of the next working day.

If we cannot resolve your complaint to your satisfaction within 5 working days we will contact you to agree reasonable alternative time frames. We will endeavour to send you our final decision within 15 working days from the date you first made your complaint provided we have all necessary information and have completed any investigations required. If you are still unsatisfied with the final outcome at your request we can refer your complaint to our Internal Dispute Resolution (IDR) team. Our IDR team will review your dispute, and respond to the dispute within 15 working days of your complaint being referred to them provided they receive all necessary information and have completed any investigation required.

What if you are not satisfied with our final IDR decision?

We expect our procedures will provide you with a fair and prompt resolution to your complaint. If however you are not satisfied with our final decision or if we have not been able to resolve the complaint to your satisfaction within 45 days you may be able to take the complaint to the Financial Ombudsman Service ("the FOS").

The FOS is an independent external dispute resolution scheme and its service is free to our customers.

You can contact the FOS by:

- ▼ Telephone: 1300 780 808
- ▼ Mail: Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001.
- ▼ Email: info@fos.org.au; or
- ▼ Website: www.fos.org.au

The FOS will tell you if they can help you, as their services are not available to all customers.

We agree to accept a FOS decision however you have the right to take legal action if you do not accept their decision.

If you want more information on the FOS, please ask us for a brochure.

Financial Claims Scheme

This policy may be a 'protected policy' under the Federal Government's Financial Claims Scheme (FCS) which is administered by the Australian Prudential Regulation Authority (APRA).

The FCS only applies in the extremely unlikely event of an insurer becoming insolvent and the Federal Treasurer making a declaration that the FCS will apply to that insurer.

The FCS entitles certain persons, who have valid claims connected with certain protected policies issued by that insurer to be paid certain amounts by APRA.

Information about the FCS can be obtained from APRA by:

- ▼ Telephone: 1300 55 88 49
- ▼ Website: www.apra.gov.au

General Insurance Code of Practice

We support and adhere to the General Insurance Code of Practice. A copy of the Code can be obtained from the Insurance Council of Australia by:

- ▼ Telephone: (02) 9253 5100 or
- ▼ Website: www.insurancecouncil.com.au

Part B – Your policy terms and conditions

Important information about your insurance policy

Your insurance policy is made up of this policy wording, any **endorsements** and the **schedule** which shows the **insured amounts**, the premium and any relevant government charges.

You should read the **schedule** and the policy wording together, to tell you what we cover, what we exclude, what we pay to settle claims and other important information.

In this insurance policy

Unless otherwise expressly defined, you/your means the policyholder named in the **schedule**. "You" is extended to include any company, firm, partnership or trust in which you hold a 50% or more ownership interest or shareholding.

We/our/us means AAI Limited ABN 48 005 297 807 trading as Vero Enterprise.

Some other words used in this policy have special defined meanings. These words are in bold. The words we have defined are listed in the "Definitions" section on pages 15 and 16.

The headings and grey shaded areas are not part of the policy itself. Their purpose is to provide you with a general guide about the content of the text.

Our contract with you

Your insurance policy is a legal contract between you and us. The contract is based on the information you gave us when you applied for the insurance, and any subsequent information which you have supplied.

You must pay the premium, including relevant government charges for the **period of insurance** and comply with all of the policy conditions.

Paying by monthly instalments

If we agree that you can pay us the total amount in a number of payments instead of all at once, this is called paying by instalments.

If you are a month (or more) late in paying an instalment, we may cancel your policy (see "Cancelling your policy" on page 10).

We will not pay a claim if at the date of the event you are claiming for, you are 14 days (or more) late in paying an instalment.

How the Goods and Services Tax (GST) affects this insurance

You must inform us of the extent to which you are entitled to an input tax credit for that GST amount each time that you make a claim under this policy. No payment will be made to you for any GST liability that you may have on the settlement of a claim if you do not inform us of your entitlement or correct entitlement to an input tax credit.

GST has an impact on the way in which claim payments are calculated under your **policy**. We will calculate the amount of any payment we make to you having regard to your GST status.

Our liability to you will be calculated taking into account any input tax credit to which you are entitled for any acquisition which is relevant to your claim, or which you would have been entitled were you to have made a relevant acquisition.

This outline of the effect of the GST on your policy is for general information only. You should not rely on this information without first seeking expert advice on the application of the GST to your particular circumstances.

For customers who are registered for GST

You must tell us about the input tax credit (ITC) you are entitled to for your premium and your claim, each time you make a claim. If you do not give us this information or if you tell us an incorrect ITC, we will not pay any GST liability you incur. When we calculate a payment to you for your claim, we can reduce it by any ITCs you are, or would be, entitled to receive.

General policy conditions

These conditions apply to this policy.

1. Change to risk

Our decision to insure you, and the premium that we charge you, is based on information provided by you about your business, and the risks to be insured under this policy. Your insurance, including the amount of premium, may be affected if any of the facts or circumstances that existed at the start of the policy change during the **period of insurance**, including, for example:

- (a) the nature of or type of business carried on by you;
- (b) your interest in the policy ceases, including by operation of law;
- (c) the business is wound up or carried on by an insolvency practitioner or permanently discontinued.

You must immediately notify us of any changes to (a), (b), (c), or any other changes that may increase the risk insured under your policy in writing. In some cases, we may only agree to continue to insure you under this policy if you agree to pay us additional premium.

2. The amount of cover

If you are not entitled to an **input tax credit** on your policy premium, all **insured amounts** and limits of liability stated in your policy are GST inclusive (unless your policy states otherwise).

If you are entitled to an **input tax credit** on any part of the policy premium, the **insured amount** and limits of liability stated in your policy are exclusive of any **input tax credit** which you are or would be entitled to claim.

3. Reasonable care and reducing risk

You must:

- (a) comply with all laws and safety requirements imposed by any authority or by state or national legislation;
- (b) keep any account books, records or documents related to preparing your **return** for at least five years after they are prepared, obtained or the transaction is completed (whichever occurs last); and
- (c) keep accurate records of your tax or superannuation transactions.

4. Interested parties

We will not insure the interests of any person other than you, unless you have notified us in writing of such interest, and the interest has been noted in the schedule. If a person is not named or noted on the policy, they are not insured and cannot make a claim.

The interested parties must comply with all the terms and conditions of your policy, including without limitation, the obligation to notify us and give us details of any other insurance that insures any risk insured by this policy.

5. Transfer of interest

No interest in this policy can be transferred without our written consent.

6. Changes in or waivers of the policy

No changes in the policy will be valid unless agreed in writing by us.

No waiver of any requirements of this policy wording shall be valid unless it is given to you in writing.

7. Multiple insured parties

Where there is more than one person or organisation insured under this policy,

- (a) any notice given by us under this policy to any one of you shown on the **schedule** will be deemed to be notice given to all of you;
- (b) any misrepresentation or fraudulent actions or statements made by any person or organisation will be deemed to be made by all of you; and
- (c) any claim made by any person or organisation will be deemed to be a claim made by all of you.

General claims conditions

To enable us to process a claim under this policy the following conditions apply.

1. Claims

For any claim:

- (a) you must notify us within 30 days of the first notice to you or your **tax agent** of a **tax audit**;
- (b) you must keep us fully informed of all developments as they occur;
- (c) you must take all necessary and reasonable steps to minimise any delays and costs incurred or likely to be incurred;
- (d) we have the right to directly access your **tax agent** and lawyers and any documented advice they have given you relevant to the **tax audit**; and
- (e) you must ensure that your **tax agent** will and does assist us with any matter we may pursue with the **authority**.

2. Cooperation

You must co-operate with us fully in any investigation, negotiation, defence or settlement of any claim.

This may include attending court to give evidence.

3. Notification of other insurance

If there is any other insurance that insures any risk insured by this policy, you are required to notify us and give us details of the other insurance.

4. Conduct of claims

We:

- (a) may appoint legal or other representatives to assist in the conduct of a claim;
- (b) shall have the right and full discretion to conduct claims; and
- (c) reserve the right to negotiate and settle any claim on terms we consider appropriate.

5. What is an excess?

The first amount of each and every claim that you are required to pay before the application of any limits by the policy. The amount of the excesses and the circumstances that each excess applies to are shown on the **schedule**. We will tell you how to pay your excess and who to pay it to.

Full payment prior to settlement

Any excess that is applied to a claim must be paid in full prior to settlement of that claim.

What if you do not pay the excess upon request?

We have no liability to you under this policy until you have paid the excess. If the excess has been requested but remains unpaid we may:

- (a) decline to settle the claim pending full payment of the excess; or
- (b) deduct the excess from the settlement.

6. Authority matters

- (a) you must make a full and complete statement of the total income and profits or gains of a capital nature derived by you and of any deductions or capital losses during each tax year;
- (b) you must be registered for GST purposes, if required by the operation of legislation; and
- (c) all correspondence, requests and inquiries from the **authority** must be dealt with within an acceptable time, taking all reasonable steps to minimise cost and delay.

When we may refuse a claim

We may refuse to pay a claim, or we may reduce the amount we pay you, if:

- (a) you do not do what your duty of disclosure requires you to (see page 3);
- (b) you:
 - ▼ are not truthful,
 - ▼ have not given us full and complete details, or
 - ▼ have not told us something when you should have, when applying for the insurance, or when making a claim;
- (c) you are paying by instalments and at the date of the **tax audit** you are claiming for, you are 14 days (or more) late in paying an instalment;
- (d) you do not at all times take all reasonable care as we require you to do under “Reasonable care and reducing risk” on page 8;
- (e) you do any of the following without us agreeing to it first:
 - ▼ make or accept any offer or payment or in any other way admit you are liable,
 - ▼ settle or attempt to settle any claim, or
 - ▼ defend any claim;
- (f) cover is excluded by the policy;
- (g) you have not complied with any of the “General claims conditions” on page 9; or
- (h) you are in breach of any other conditions of your policy.

Cancelling your policy

How you may cancel

You may cancel the policy at any time by telling us that you want to cancel it. The cancellation takes effect on the date we receive your request.

We subtract from any premium you have paid us, an amount to cover the period that we have already insured you for. We will then return the rest of the premium to you (along with GST less any non-refundable government charges).

How we may cancel

We may only cancel a policy when the law says we can.

We will cancel your policy by telling you so in writing, either in person or by post to your last known address.

We will return the premium that you have paid for the rest of the **period of insurance** less any non-refundable government charges.

Paying by instalments

If we agree that you can pay your total amount in a number of payments instead of all at once, this is paying by instalments.

If you are one month (or more) late in paying an instalment, we may cancel your policy following the procedure under ‘How we may cancel’ above.

The cover we provide

This policy covers the **professional fees** such as accountant's fees incurred by you in connection with an audit, review or investigation of your tax affairs by the Australian Taxation Office, or by a Commonwealth, State or Territory department, body or agency.

Your insurance

✓ What we cover

We will insure you for **professional fees** reasonably and necessarily incurred by you in connection with a **tax audit** by an **authority**, which is commenced and notified to us during the **period of insurance**. There are four mutually exclusive cover options available for this insurance.

The nature and extent of cover will depend on which cover option you select:

- (a) Business Audit Only – With Investigation Cover (excluding Extra Cover – Directors' Personal Tax Returns and Extra Cover - Self-Managed Superannuation Fund); or
- (b) Business AND Directors Audit – With Investigation Cover (including Extra Cover – Directors' Personal Tax Returns but excluding Extra Cover - Self-Managed Superannuation Fund); or
- (c) Individual cover (excluding Extra Cover – Directors' Personal Tax Returns and Extra Cover - Self-Managed Superannuation Fund); or
- (d) Self-managed superannuation fund cover (excluding Extra Cover – Directors' Personal Tax Returns, but including Extra Cover - Self-Managed Superannuation Fund).

The cover you select will be shown on your **schedule**.

✗ What we exclude

This policy does not cover:

- (a) any claim or claims caused by or arising out of any **return** that has not been prepared or reviewed prior to dispatch by your **tax agent**. However, this exclusion does not apply to any **return** for:
 - (i) prescribed sales tax;
 - (ii) income derived from any payment under a contract of employment of service between you and any other person, company or entity, other than when that payment is paid by a company for which you are a director or have a controlling interest;
 - (iii) income derived from any payment from superannuation, pension or other retirement benefit; or
 - (iv) income derived from personal investments that you are not wholly or mainly dependent on;
- (b) you:
 - (i) if you bring about a **tax audit** through your failure to lodge taxation or any other **return** within the time limit prescribed by statute or within any extension of time granted by the **authority**;
 - (ii) if you make a statement to the **authority** or your **tax agent** that omits a material particular or is false or misleading; or
 - (iii) if you bring about a **tax audit** by your failure to pay all taxes by the due date or within any extension of time granted by the **authority**;
- (c) the amount of any fine or penalty that you may be ordered to pay by any **authority** or court;
- (d) any amount that you are unable to recover because of a contract or agreement that you have entered into that excludes or limits your rights to recover that amount;
- (e) any tax return prepared:
 - (i) by a person who ordinarily resides outside Australia and its external territories;
 - (ii) for a company, firm or entity which operates outside Australia and its external territories;
- (f) any claim arising from any **tax audit** for which notice or information was received by you or your **tax agent** before the inception of this policy;
- (g) any claim arising when verbal or written notice of an impending **tax audit** is given to you or any person acting on your behalf, prior to you taking out this policy;
- (h) any claim or claims caused by or arising out of any inquiry from an **authority** which is not related to either an identified intention to conduct a **tax audit** or is not directed at obtaining information or data for a possible future **tax audit**;

- (i) any claim or claims caused by or arising out of any fraudulent act or fraudulent omission or statement made by you to an **authority**.
This exclusion does not apply when a false or misleading statement made by you results from:
 - (i) you being misled by the **authority**, when you did not and could not be expected to know that statement was false or misleading; or
 - (ii) a matter which you can demonstrate to our satisfaction to be a contentious matter;
- (j) any claim or claims caused by or arising out of your improper, unwarranted or unjustified refusal or failure to comply with any request made by the **authority**.
This exclusion does not apply when, in accordance with written professional advice from your tax agent or practicing solicitor, you refuse or fail to comply with an authorisation under section 263 of the Income Tax Assessment Act 1936 or under section 264 of the Income Tax Assessment Act 1936; or
- (k) any claim or claims caused by or arising out of any wrongful act committed by **you** with wilful, reckless, dishonest, fraudulent, malicious or criminal intent;
- (l) any **tax audit** conducted by the Australian Prudential Regulation Authority;
- (m) any **tax audit** where a **return** has been prepared, lodged, or submitted dishonestly or fraudulently, and where the supporting documents have been falsely created or collected;
- (n) any **tax audit** where the Australian Taxation Office, or where a **tax agent** assesses your behaviour as being a case of deliberate evasion or recklessness;
- (o) any routine enquiries, or enquiries from the **tax agent** which are not identified as being either preliminary to, or relating to an **tax audit** of a **return**;
- (p) **professional fees** that are:
 - (i) associated with any criminal prosecution;
 - (ii) associated with any **return** lodged outside Australia, its states or territories;
 - (iii) in respect of any person or organisation ordinarily resident outside Australia, its states or territories;
- (q) any:
 - (i) amounts sought by any amended notice of assessment;
 - (ii) additional tax, duty government impost or the like; or
 - (iii) costs in legally pursuing or defending any legal actions against you or initiated by you (unless it is at our discretion);
- (r) any **tax audit** that includes a refund or claim for tax or duty relief arising out of an arrangement, facility, financial structure or the like adopted for the principal purpose of obtaining that refund or relief, unless the arrangement has received prior written approval from the relevant government or government authority or agency before being offered to you or the general public;
- (s) any form of activity involving a review relevant to you maintaining industry status, licence, compliance, membership, any form of occupational health and safety compliance, similar requirements;
- (t) any form of activity involving a review of how the professional firm assisting you undertakes its professional duty;
- (u) any form of practice or procedural audit of any of your files;
- (v) any activity involving a statutory authority or any activity agency gathering information or data that is not part of a **tax audit**; or
- (w) any activity involved in the familiarisation, education, training, application, implementation, process or operation of any amendments or changes to existing or the introduction of new statutory or industry regulation.

Extra covers

If we agree to pay a claim for **professional fees**, you may also be entitled to the following extra covers.

1. Reinstatement of insured amount

✓ **What we cover**

If we pay an amount for a claim we will automatically reinstate the **insured amount**. You will not have to pay any additional premium.

2. Directors' personal tax returns (for Business and Directors Audit – with Investigation Cover only)

✓ **What we cover**

If your **schedule** shows that you have selected 'Business and Directors Audit – with Investigation Cover' and you are a company and the director(s) work full-time in the business, we will also pay for **professional fees** reasonably and necessarily incurred by each director in connection with an audit by an **authority** of the director's personal income tax returns that are lodged with that **authority** which is commenced and notified to us during the **period of insurance**.

This extra cover only covers an audit of a director's personal income tax return that was prepared by the same **tax agent** who prepared the income tax return for the business in that same year.

✗ **What we exclude**

The amounts payable under this Extra Cover do not apply in addition to the "Business and Directors Audit – with Investigation Cover" **insured amount**.

This Extra Cover will not apply if your **schedule** shows that you have selected Business Audit Only – With Investigation Cover, or Individual Cover, or Self-Managed Superannuation Fund Cover.

3. Self-Managed Superannuation Fund (for Self-Managed Superannuation Fund Cover only)

✓ **What we cover**

Where "Self-Managed Superannuation Fund Cover" is shown on the **schedule**, we will also pay the **professional fees** in connection with an appeal to reconsider a **reviewable decision** to an administrative tribunal constituted to hear appeals provided that you supply us with:

- (a) written evidence that the appeal has a reasonable prospect of success; and
- (b) any other documents and information we reasonably require in relation to the audit of the **self-managed superannuation fund** and/or the appeal.

✗ **What we exclude**

The amounts payable under this Extra Cover do not apply in addition to the **insured amount**.

This Extra Cover will not apply if your **schedule** shows that you have selected Business Audit Only – With Investigation Cover, Business and Directors Audit – with Investigation Cover, or Individual Cover.

4. Travel and accommodation expenses

✓ **What we cover**

We will reimburse you for travel and accommodation expenses incurred by you or your employees if they are reasonably and necessarily incurred to substantiate the claim.

What we pay

If the **schedule** shows the cover is:

- (a) Business Audit Only – With Investigation Cover, the most we will pay in respect of a **tax audit** commenced in the **period of insurance** is the **insured amount** shown on the **schedule**; or
- (b) Business AND Directors Audit – With Investigation Cover, the most we will pay in respect of a **tax audit** commenced in the **period of insurance** relating to:
 - (i) the policyholder named in the **schedule** or any company, firm, partnership or trust in which the policyholder named in the **schedule** holds 50% or more ownership, interest or shareholding; and
 - (ii) each director named in the **schedule**,is the **insured amount** shown on the **schedule**; or
- (c) Individual Cover, the most we will pay in respect of a **tax audit** commenced in the **period of insurance** relating to all individuals named in the **schedule** as policyholders is the **insured amount** shown on the **schedule**; or
- (d) Self-Managed Superannuation Fund cover
The most we will pay in respect of a **tax audit** (including the **professional fees** in connection with an appeal to reconsider a **reviewable decision**) of any or all the **self managed superannuation funds** named in the **schedule** is the **insured amount** shown in the **schedule**.

Excess

The **excess** that applies is shown on the **schedule**.

Definitions

The following words have the following meanings for this policy wording.

Authority

The Australian Taxation Office, a revenue office of an Australian State or Territory; a Commonwealth, State or Territory government department, body or agency which is duly authorised to conduct a **tax audit**.

Designated tax

Any tax assessable in accordance with the provisions, as amended, of the:

- (a) Income Tax Assessment Act 1936 (Cth);
- (b) Income Tax Assessment Act 1997 (Cth);
- (c) Fringe Benefits Tax Assessment Act 1986 (Cth);
- (d) A New Tax System (Goods and Services Tax) Act 1999 (Cth);
- (e) Superannuation Guarantee (Administration) Act 1992 (Cth);
- (f) Termination Payments Tax (Assessment and Collection Act) 1997 (Cth);
- (g) Sales Tax Assessment Act 1930 (Cth);
- (h) Sales Tax Assessment Act 1992 (Cth); or
- (i) any legislation of an Australian State or Territory relating to payroll tax.

Endorsement

Documentary evidence of an alteration to the policy which forms part of the policy.

Input tax credit

The amount you are entitled to claim as a credit against GST that you have paid.

Insured amount

The maximum amount that will be paid under the policy as specified in the **schedule**.

Period of insurance

The period of time shown on the **schedule** during which insurance is provided under this policy.

Professional fees

Fees, costs and disbursements payable to a **tax agent** or professional person (other than you or your employee) in connection with a **tax audit** by an **authority**.

Professional fees do not mean any fees, costs or disbursements:

- (a) that relate to any subsequent objection lodged with the **authority** in respect of a **tax audit**;
- (b) incurred after the **tax audit** has been completed; or
- (c) incurred after 12 months from the commencement date of the **tax audit** other than when you can demonstrate to our satisfaction that the delay in completing the **tax audit** was caused primarily by the **authority**.

Record keeping audit

Means any enquiry or investigation by the Australian Taxation Office which is aimed at determining the extent of your compliance with the record keeping requirements of relevant taxation legislation.

Return

Any return legally required to be, and is actually lodged with, an Australian Commonwealth, Federal or State government or government authority or agency by you or on your behalf.

Reviewable decision

Has the meaning given by Section 10 of the Superannuation Industry (Supervision) Act 1993.

Schedule

The record of the particulars of your insurance which forms part of this policy. The **schedule** is issued when we have accepted your insurance. At each renewal of your policy, the renewal **schedule** becomes your current **schedule**.

Updated **schedules** or **endorsements** may also be sent to you showing alterations to your policy.

Self-managed superannuation fund

Has the meaning given by Section 17A of the Superannuation Industry (Supervision) Act 1993.

Tax agent

Any person who is recognised by the **authority** as a registered **tax agent**, as appropriate to the type of **designated tax**, who prepares returns and statements required by that **authority** in respect of your liability to pay a **designated tax**, including supervision of the preparation of, and review prior to dispatch of, those returns and statements.

Tax agent does not mean you or a person working for you under a contract of employment.

Tax audit

- (a) An audit in respect of your liability to pay any **designated tax** (including the amount of tax payable) following lodgement of a **return** for that **designated tax**;
- (b) Any official inquiry, investigation, examination or review in respect of your liability to pay any **designated tax** (including the amount of tax payable) following lodgement of a **return** for that **designated tax**; or
- (c) any **workers compensation wage audit** or investigation in respect of your liability to pay a workers compensation premium.

If an investigation referred to in paragraph (b) above escalates or results in an audit as referred to in paragraph (a) above, then this is one **tax audit** for the purposes of this policy wording.

Where "Self-Managed Superannuation Fund Cover" is shown in the schedule, the term tax audit includes any audit of a **self-managed superannuation fund** named in the **schedule** for the purpose of determining any matter relating to such superannuation fund, or its trustees' compliance with any of the provisions of the Superannuation Industry (Supervision) Act 1993.

For the purpose of this policy wording:

- (a) the **tax audit** commences at the time you or your **tax agent** first receive notice of either an audit under paragraph (a) or an investigation as described in this definition.
- (b) the **tax audit** is complete when:
 - (i) the auditor has given written notice to that effect;
 - (ii) the auditor notifies us that it has made a concluded decision about your **returns**; or
 - (iii) when the auditor has issued an assessment or amended assessment of your **returns**,
- (c) "You" includes any company, firm, partnership or trust in which you hold a 50% or more ownership, interest or shareholding.

Workers compensation wage audit

Any audit conducted by an Authority pursuant to legislation in respect of your liability to pay a workers compensation premium.

