

Scope of Work

| Services | Amount |
| --- | --- |
| Company Establishment  **Company Incorporation (Proprietary Limited)**  **Included is:**   * Establish a Proprietary Limited Company * ASIC Company Establishment fees | $900 |
| Trust Establishment  **Business Structure - Unit Trust Establishment**  **Included is:**   * Establish an Investment "Unit Trust" * Tax File Number (TFN) Registration * Australian Business Number (ABN) Registration * Goods & Services Tax (GST) (if required) | $1,000 |
| Our Professional Fees  **Our professional fees for assisting in the implementation of this structure, including:**   * Discussions surrounding desired structure * Preparation of various options for purchasing and calculations supporting the same * Advice to existing SMSF owners of the property regarding the likely implications of restructuring their investment * Liaising between yourselves and solicitors preparing agreements, where necessary * Liaising between yourselves and solicitors transferring legal title from SMSFs to the unit trust, where necessary * Preparation of documentation, minutes of meetings and unit certificates when initial units are issued * Assistance with lodgement of unit certificates with Office of State Revenue for transfer duty assessment   Our Service Guarantee  **We will:**   * Respond to your phone calls / e-mails within one business day of receiving them * Meet our agreed preparation deadline (provided you provide us with all information we request within 5 business days of our requesting it from you) | $2,000 to  $5,000 |
| Subtotal | $3,900 to  $6,900 |
| GST | $390 to  $690 |
| **TOTAL** | **$4,290.00 to $7,590** |

Should we find anything else, we will inform you about the additional things we can do to help you and our price for these additional services. We will send you an **Additional Work Order** for you to accept before we start work on these things.

We look forward to your **ACCEPTANCE** before we commence work on the above services.

These are the Terms of Engagement (“Terms”). This Agreement is constituted by these Terms and any other later document that we advise you becomes part of, or varies this Agreement. These Terms confirm our understanding of the nature and the limitations of the services we will provide.

If the terms of our engagement are acceptable, please sign this original Engagement Agreement and return same to our office. Please contact this office immediately if you do not understand, or if you wish to discuss any aspect of the terms of this engagement.

If you do not forward your signed copy of the Engagement Agreement, or contact us with changes to the engagement, yet continue to provide us with information and instructions regarding your financial affairs, the terms and information provided in this agreement will bind us both.

**RESPONSIBILITY FOR YOUR WORK**

Over the years our Firm has established a cost effective structure, incorporating a Team of Professional Accountants and Assistants to provide you with an economical service.

The Associate Principal is in charge of your affairs with respect to the Super Fund and ultimately responsible for all of the matters relating to this file.

The team attends to certain functions relating to your affairs, such as general administration and basic accounting. This is done to afford you the most cost effective service possible. Of course, all work attended to by the team is supervised and reviewed by the Associate Principal or Senior Associate. The team providing you with your Professional Accounting Service is set out in the Team of Professionals later in this agreement together with indicative charge rates.

**RELATIVE RESPONSIBILITIES AND CONFIDENTIALITY**

The conduct of this engagement will be carried out in accordance with the standards and ethical requirements of The Institute of Chartered Accountants in Australia, which means that information acquired by us in the course of the engagement is subject to strict confidentiality requirements. This information will not be disclosed by us to other parties, except as required or allowed for by law or professional standards, or with your express consent.

Our files may, however, be subject to review as part of the quality control review program of The Institute of Chartered Accountants in Australia, who monitor compliance with professional standards by its members. We advise that by signing this agreement you acknowledge that, if requested, our files relating to this engagement may be made available under this program. Should this occur, we will advise you prior to releasing any files.

We may on occasion use external Contractors to manage some of our internal processes and they may have access to your information. This will only be done if strict confidentiality agreements are entered into between us and the associated entities to prevent any unauthorised use of this information.

We may also provide your information to associated entities for services that we believe will be of value to you. Once again, this will only be done if strict confidentiality agreements are entered into between us and the associated entities to prevent any unauthorised use of this information.

**OTHER INSTITUTE RECOMMENDATIONS**

The Institute has determined minimum standards with regard to service and, in accordance with those recommendations, our Practice:

1. uses properly trained and supervised staff to maintain quality standards and ensures that all qualified staff undertake a minimum of 60 hours of continuing professional education each year;
2. maintains professional independence at all times;
3. establishes and operates satisfactory quality control procedures;
4. bases our fees on the chargeable time of each staff member.
5. records all time so as to enable you to be aware of the extent of the work performed for you; and
6. will, if requested, provide an estimate of our billing prior to the commencement of an engagement.

YOUR OBLIGATIONS AND RIGHTS

The *Tax Agents Services Act* 2009 requires us to advise you of your rights and obligations where we are acting for you on taxation matters. In relation to the taxation services provided:

* You are subject to the self-assessment system in relation to any of your Income Tax Returns. The Commissioner is entitled to rely on any statements made in your Income Tax Returns. Where those statements are later found to be incorrect, the Commissioner may amend your Income Tax Assessments and, in addition to any tax assessed, you may also be liable for penalties and interest charges.
* You have an obligation to keep proper records that will substantiate the Taxation Returns prepared and which will satisfy the substantiation requirements of the *Income Tax Assessment Act*. Failure to keep such records could result in claims being disallowed, additional tax being imposed, and the imposition of penalty or general interest charges.
* You are responsible for the accuracy and completeness of the particulars and information required to comply with the various Taxation Laws. We will use this information supplied in the preparation of your Returns.
* Your rights as a taxpayer include:
* The right to seek a Private Ruling;
* The right to object to an assessment by the Commissioner;
* The right to appeal against an adverse decision by the Commissioner.

Certain time limitations may exist for you to exercise these rights. Should you wish to exercise these rights at any time, you should contact us so that we can provide you with the relevant timeframes and to discuss any additional requirements which may exist.

In the course of our engagement we will prepare various working papers and notes consistent with our internal quality control system. These working papers remain the property of our firm and will be retained by us to support any future queries on work completed. Original source records provided by you to us to assist in the completion of your work will be returned to you at the completion of each engagement. Where appropriate we may take copies to retain on your client file.

**CORPORATE AFFAIRS MATTERS**

There are various requirements of the Australian Securities & Investments Commission (ASIC) that have to be attended to in relation to Companies that may be related to the Fund’s activities, e.g. if you have a Trustee Company. This includes notifying ASIC of various changes to Directors and Shareholders, preparation and lodgement of Annual Company Returns, etc.

We do not act as an ASIC agent, however if you have requested us to attend to the Corporate Affairs matters on your behalf, we will engage Marsh Tincknell to prepare and lodge the appropriate documents in relation to matters that affect your Company as soon as practical after being provided with the information.

These documents will be forwarded to you for signature prior to lodgement. Many of these documents must be lodged within a short period of time after the change occurs. In this regard, documents not returned to our office by the due date will incur additional lodgement fees and/or additional processing fees. You will be advised of relevant due dates for lodgement.

The Corporate Affairs Division of Marsh Tincknell utilises an electronic recording system to keep track of all Company data. It is not possible to maintain the integrity of this system if documents are lodged by other means. Details of a change are required to be input into our electronic system. In this regard, Marsh Tincknell must be informed of any changes or matters that may affect your Companies.

**SPECIFIC MATTERS TO BE RESEARCHED**

From time to time you may request advice from us which may not be able to be provided immediately, due to the issues and facts to be considered.

With the multitude of Superannuation and Taxation Law which we must consider, some questions you may ask may seem simple, however due to the complexities of the above, it may not be possible to provide you with an immediate answer.

More and more these days we are required to research and thoroughly consider all of your particular facts as they relate to the above Legislation, which not only takes time, but also involves the use of our Professional Team and in some cases external Consultants.

In these circumstances, the time taken by our Team to research and provide you with the appropriate response will be recorded through our Work In Progress System.

We will endeavour to provide you with an immediate and quick answer where appropriate, however to ensure that you receive a professional service and accurate advice a more detailed investigation into the facts may be required.

In addition, many questions may seem basic or similar to previous requests for advice, however every case generally has a different factor to be considered to the previous case and, as a result, may have a different outcome which warrants the additional research.

**OTHER AREAS OF LAW**

We are not permitted by Law to advise in relation to legal matters (other than Taxation Law) such as Stamp Duty. We can provide general information as to the applicability of Stamp Duty Laws, if required, however we will refer you to your Legal Advisors for this advice.

If requested by you, we will endeavour to advise you of other areas of Law that may affect various transactions you undertake. If we are not able to provide you with advice, we can refer you to a suitably qualified professional, from whom you can seek the appropriate advice.

**TELEPHONE & EMAIL ADVICE**

Telephone and email communications and advice are recorded in writing on your file for quality assurance and professional indemnity insurance purposes. We encourage you to telephone or email us for advice on matters of concern. However simple, the advice may save you significant time and money.

As set out in the attached Schedules, our fees are based on time, which includes telephone calls and email correspondence. Time spent by our Team in relation to these matters will be recorded on your WIP and may be billed to you at our discretion.

**PRINCIPLES OF DETERMINING FEE LEVELS**

The Institute of Chartered Accountants in Australia (“The Institute”) recommends that its members conform to prescribed guidelines in determining fee levels. The Institute does not issue a standard scale of professional fees due to the diversity of services offered by Chartered Accountants and the degree of skill attached to those services.

Additionally, the Institute does not intervene between an Accountant and client on the question of professional fees charged. However, the Institute has issued guidelines for establishing fee levels to ensure that, on the one hand you are fairly charged and, on the other, our firm performs for you.

The charge-out rates applied to the time incurred take account of staff salaries, direct costs associated with providing the service, and indirect costs associated with operating our Practice. These rates are reviewed on a periodic basis.

Special services, such as unusual audit and investigation assignments, trustee advisory services, and the need to provide these services at little or no prior notice, requires us to ensure we have the available staff with the necessary qualifications to handle all challenges that we may face. With ever changing superannuation and taxation laws, we are required to undertake significant education and training programs to ensure that we have the ability to provide you with the right advice. On many occasions (due to the ever changing laws), it is a necessity that specialist research will be undertaken on particular matters that pertain to your file. A clear record of all of this time is maintained.

The only commodity we have to sell is our knowledge and ability to perform accounting functions on your behalf. Therefore, to ensure an equitable remuneration to our Firm for the services we provide, an efficient record is maintained of time spent on your file.

We do not necessarily bill you for all the time that is allocated to your file, but the recording system does provide us with a guide as to the amount of time we have utilised in providing you with the highest quality service possible.

**ISSUING OF FEES**

From time to time, we will issue invoices to you for the work that is carried out.

Any special assignments or work done by quotation will be invoiced upon completion. We reserve the right to progress bill in cases where the assignment continues for an extended period and would do so in $1,000 instalments.

Upon completion of a financial year’s work, we will issue an invoice covering the full year’s work, including any supplementary fees payable according to our fee schedule. If applicable, this invoice will include a credit for any amounts paid on the monthly billing arrangement.

**CREDIT TERMS**

Our credit terms are strictly 14 days from invoice.

However, where we are required to outlay monies on your behalf for services provided by external parties such as Solicitors or Actuaries, we will require a forward payment for this service.

As practice overheads are comprised of cash type items (primarily Wages and Rent), charge rates are based on the assumption of prompt settlement of billings. We are unable to offer extended credit without additional charge or prior arrangement. Our credit terms require payment in full within 14 days of receipt of our billing. No further assignments will be undertaken or advice given where any part of the billing remains overdue.

We issue Statements on a monthly basis for amounts outstanding at the end of the month.

We have appointed an Account Administrator who will liaise with you in relation to outstanding accounts or disputes.

As mentioned earlier, we generally issue bills on a regular basis, as and when work is carried out, or on a monthly or quarterly basis if this is more appropriate. If accounts are not paid on time, it may result in work being ceased on your file, which could jeopardise the preparation of Financial Statements and Tax Returns and lodgement of various documents on a timely basis.

**RESPONSIBILITY FOR PAYMENT OF ACCOUNTS**

This Engagement Agreement sets out the conditions of the engagement between ourselves and yourselves as trustees of the Superannuation Fund. The issuing of fees and the carrying out of the work is undertaken on your behalf.

It is appropriate for accounts to be paid by the Superannuation Fund, rather than other related entities or by yourselves personally.

If at any time you have a problem with your Account and are unable to resolve the matter with our Account Administrator, please feel free to contact me personally.

**REFERRALS**

Our firm may refer you to an external service provider in circumstances where we believe them to be a good fit for you. In no way do we do this with the expectation of referrals or work from the provider in return.

There are associated entities that we may enter into a joint venture agreement with, for which we would receive a share of the profit.

Some service providers may refer clients to our firm or pay us a referral fee or commission. If any such fees or commissions are received from said provider, this will be fully disclosed to you.

Please note that it is always your choice when considering if the provider is suitable for your needs.

**ENTITIES PROVIDING SERVICE**

“Virtu Super” trades through a Partnership of Trusts. The Company Virtu Super Pty Ltd has been appointed as Agent for this Partnership.

Full details of our Legal Structure are as follows:

Virtu Super Pty Ltd as Agent for the Virtu Super Partnership between:

PMIP Super Trust (Trustee –Virtu Super Pty Ltd)

RCIP Super Trust (Trustee –Virtu Super Pty Ltd)

EGIP Super Trust (Trustee –Virtu Super Pty Ltd)

DTIP Super Trust (Trustee –Virtu Super Pty Ltd)

Other Details:

Virtu Super Pty Ltd ACN: 134 260 512

Virtu Super Partnership ABN: 53 574 469 796

**TEAM OF PROFESSIONALS**

Associate Principal $325

Senior Associate $275

Senior Accountant $225

Accountant $175

Admin Assistant $140

**CONFIRMATION OF ENGAGEMENT**

Obviously, there are many issues to consider in this engagement and we ask that you consider all aspects of this agreement to ensure you are satisfied with the scope of our engagement.

Please contact us if you have any questions about this agreement.

**Once you are satisfied with the terms of our engagement, would you please sign and date this agreement.**

As mentioned, if you do not return this Engagement Agreement signed, nor contact us with changes to the engagement, yet continue to provide us with information and instructions regarding your financial affairs, the terms and information provided in this agreement will bind us both.

We thank you for the opportunity to provide our professional services to you and we look forward to continuing our close working relationship with you for many years to come.

I/We acknowledge that I/We have read and understand the terms of the engagement and hereby accept them, as well as the fees proposed in the Scope of Work.

Dated this day of 20

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name Signature

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Print Name Signature