



Insurtech Agency

Tax Audit Insurance

POLICY WORDING



AuditCover

This Policy Wording was prepared on 5 December 2022 and tells You about this Tax Audit Insurance cover to help You decide if this cover is right for You. You should carefully read this document as well as other documentation provided to You such as Your Policy Schedule. Keep them in a safe place for future reference.

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Important Information

Important documents

Please take the time to read this Policy Wording, Your Policy Schedule and any other documents we tell you make up the Policy (such as endorsements) to ensure that all details are correct. Please also ensure that Your Policy Wording and Policy Schedule are kept in a safe place. If You have any questions regarding the Policy Wording or Policy Schedule, please contact Insurtech Agency.

About AuditCover Australia

AuditCover Australia Pty Ltd (**AuditCover**) (ABN: 63 638 872 634, AFSL 535509) holds exclusive distribution rights for this insurance product.

About Insurtech Agency

Insurtech Gateway Australia Pty Ltd t/as Insurtech Agency (**Insurtech Agency**) (ABN 27 633 140 879, AFS Licence No. 525866) has been authorised by the Insurer, HDI Global Specialty SE-Australia under a binding agreement which allows Insurtech Agency to enter into this Policy and administer it. Insurtech Agency acts as the agent for the Insurer, not for You. Insurtech Agency's Australian Financial Services Licence (**AFSL**) authorises it to provide these services and Insurtech Agency is providing these services under its own AFSL.

About HDI Global Specialty SE

This Policy is issued by HDI Global Specialty SE – Australia (ABN 58 129 395 544, AFSL 458776) (**HDI Global Specialty**) with its registered address at:

Tower 1, Level 33
100 Barangaroo Avenue
Sydney, NSW 2000
Australia.
Phone: +61 2 94233300

HDI Global Specialty is authorised to carry out insurance business in Australia by the Australian Prudential Regulation Authority in accordance with the Insurance Act 1973 (Cth).

HDI Global Specialty SE is registered in Germany, with its registered office at Podbielskistraße 396, 30659 Hannover, Germany with registration number HRB211924 authorised by Bundesanstalt für Finanzdienstleistungsaufsicht (**BaFin**). It is authorised to carry on insurance business in Germany under the German Insurance Supervisory Act (**Versicherungsaufsichtsgesetz**).

About This Policy

In this Policy, references to “We”, “Our” and “Us” are references to HDI Global Specialty as the Insurer.

We agree to provide You with insurance in accordance with the terms, conditions, limits, and exclusions of this Policy based on the information You have provided or that was provided on Your behalf to Us, subject to payment of the premium. The Policy consists of this document (the Policy Wording), the Policy Schedule and any endorsements affixed (or intended to be affixed) to it. All of which should be read as if they were one document.

Your Policy Schedule

Your Policy Schedule contains important details about Your Policy, including the Period of Insurance, Your premium, Limit of Cover, and any changes to the Policy wording.

Claims Made Notice

This Policy operates on a “claims made” basis. This means that this Policy covers You in response to an Audit Notice issued to You or Your Professional Service Provider during the Period of Insurance. This Policy does not cover Claims arising from any verbal, written or electronic communication of an impending Audit given to You or Your Professional Service Provider prior to the commencement of the Period of Insurance.

Upon issuance of an Audit Notice, You or Your Professional Service Provider are required to provide Us with notification as soon as reasonably possible, or no later than 30 days following receipt of the Audit Notice.

Cooling off Period

You can return Your Policy to Us within 14 days of the commencement of Your cover, which is documented on Your Policy Schedule. If We receive Your written request to cancel this Policy within the 14-day period, We will cancel the Policy effective from the commencement, and give You a full refund (less any taxes or duties, payable that We are unable to refund). You cannot use this right where, before the 14-day period ends, You have exercised any of Your rights or powers under the Policy (e.g., You have made a Claim). After the cooling off period ends You still have cancellation rights under the Policy. These rights are documented under General Conditions.

Our Agreement

We agree to provide You with the cover set out in the Insuring Clause and any extensions that We may agree. This cover is in force for the Period of Insurance as identified in Your Policy Schedule, subject to the other terms and conditions, limits and exclusions of the Policy. In respect of any Claim made under this Policy, We will not pay any more than the Limit of Cover shown on Your Policy Schedule for all sections of this Policy combined.

Who is insured under this Policy

The persons or organisations that are covered by this Policy are those shown on the Policy Schedule as the “Policyholder” and “Additional Associated Insured Entity”. In this Policy, those persons or organisations are referred to as “You” or “Your”. All persons or organisations covered by the Policy must comply with the terms and conditions of the Policy. We may refuse to pay a Claim or reduce the amount We pay if You or any other person or organisation covered by the Policy does not comply with the terms and conditions of this Policy.

Defined Terms

Words which are capitalised in this Policy are defined. A list of words which are defined and their corresponding definitions can be found under the heading “Definitions”. Headings are purely descriptive in nature. You should not rely on headings to interpret the Policy.

General Insurance Code of Practice

The Insurer is a signatory to the General Insurance Code of Practice (the **Code**). The Code was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry. The Code Governance Committee (**CGC**) is an independent body that monitors and enforces insurers' compliance with the Code. For more information on the CGC visit insurancecode.org.au.

Your Duty of Disclosure

Before You enter into an insurance contract, You have a duty to tell Us anything that You know, or could reasonably be expected to know, may affect Our decision to insure You and on what terms.

You have this duty until We agree to insure You.

You have the same duty before You renew, extend, vary or reinstate the Policy.

You do not need to tell Us anything that:

- Reduces the risk We insure You for; or
- Is common knowledge; or
- We know or should know as an insurer; or
- We waive Your duty to tell Us about.

If You do not tell Us something

If You do not tell Us anything You are required to, We may cancel Your Policy or reduce the amount We will pay You if You make a Claim, or both.

If Your failure to tell Us is fraudulent, We may refuse to pay a Claim and treat the Policy as if it never existed.

The responsibility under this Duty of Disclosure applies to everyone who will be insured under the Policy. If You are answering questions on behalf of anyone, We will treat Your answers or representation as theirs.

Your premium

Your premium is the amount that We have advised and You have agreed to pay to Us for Your Policy. On receiving Your request for insurance, We will advise You the premium. Your premium is based on Our assessment of risk, including the covers You choose and Your insurance history. Your premium includes allowances for government charges, taxes or levies on Your Policy.

The premium is payable when You take out a new Policy and when You renew Your Policy, or monthly if You have chosen to pay in monthly instalments. If You make changes to Your Policy You may need to pay an additional premium or You may be entitled to a refund.

When You purchase a Policy You need to pay Your annual premium at the time of purchase, or if paying by monthly instalment, the first instalment must be paid at the time of purchase.

You must pay any instalments by the due date specified on Your Policy Schedule. An instalment is unpaid if it cannot be deducted from Your nominated bank account or credit card.

If Your premium is unpaid, We will notify You of the unpaid amount and when it must be paid by. If it remains unpaid after the date specified in the notice, We will cancel Your Policy for non-payment and refuse to pay any Claim for an Audit Notice issued to You or Your Professional Service Provider after the cancellation date.

If You pay by instalment, We will send You a second notice before cancellation informing You of the effective date of cancellation.

If You need to make a Claim when Your premium is unpaid, and before Your Policy has been cancelled for non-payment, We will reduce the Claim payment by the unpaid amount.

Renewing Your Policy

At least 14 days before Your Policy expires, We will send You a notice advising whether We are prepared to offer renewal of Your Policy. You are not obliged to renew Your Policy with Us.

Changes that may affect Your Policy

If there is any material change or alteration to the information You have previously advised Us of, such as but not limited to change in annual turnover or business activities, You must notify Us in writing as soon as reasonably practicable. Any change or alteration You propose to make to the Policy only becomes effective when We agree to the changes and You agree to pay any additional premium where required. You must advise Us of any changes before You renew Your Policy. The duty of disclosure applies to the variation or renewal of the Policy.

Cancellation by You

You may cancel the Policy at any time. Provided You have not notified Us of any Claim under this Policy and do not intend to lodge a Claim, We will refund the unused proportion of Your premium less any commissions, taxes, fees and charges that We are unable to recover. If You have notified Us of a Claim under this Policy, then You are not entitled to any refund. If You cancel the Policy, You will not be covered for any Claims that are made and notified thereafter.

Cancellation by Us

We may cancel the Policy in certain circumstances provided by the *Insurance Contracts Act 1984* (Cth) (as amended), by giving You notice in writing.

Some examples are:

1. if You do not pay the premium;
2. if You do not comply with Your Duty of Disclosure;
3. if You do not comply with a provision of the Policy;
4. if You make a fraudulent Claim under the Policy; or
5. if You do not comply with Your duty of utmost good faith.

Notice of cancellation can be emailed to the email address You provided to Us when You purchased the Policy. It will be effective at the time shown on the notice of cancellation or when You have taken out cover with another insurer to replace the Policy, whichever occurs first.

Fraudulent Claims

If You make a Claim under this Policy which You know is fraudulent in part or in its entirety, We will deny that Claim and may have rights to cancel this Policy in its entirety.

Goods and Services Tax (GST)

If You are entitled to an input tax credit on any part of the premium You paid for this Policy, the Limit of Cover stated in the Policy Schedule is exclusive of GST to the extent of Your input tax credit entitlement. If You are not entitled to an input tax credit on Your Policy premium, the Limit of Cover stated in the Policy Schedule is GST inclusive. In situations where We make a cash payment to You for the purchase of goods or services for which You are entitled to claim an input tax credit, We will only pay You an amount that is equal to Your net cost i.e. Your cost after claiming input tax credits. The Policy does not cover any amount of GST, or any fine, penalty or charge that You are liable for because of a failure to disclose or a misstatement made by You or on Your behalf, in relation to Your entitlement to an input tax credit for the premium. You must tell Us if You become aware that the extent of Your entitlement to an input tax credit for Your premium disclosed to Us is incorrect.

Jurisdiction

All disputes arising out of or under this Policy will be subject to determination by any court of competent jurisdiction within Australia according to the law applicable to the jurisdiction.

Limits

We will not pay more than the Limit of Cover stated in the Policy Schedule in respect of all Claims made under this Policy in the aggregate during the Period of Insurance.

Other insurance

At the time You make a Claim, You must give Us written notice of any other insurance covering the subject Audit event which may also apply to Your Claim.

To the extent permitted by the Insurance Contracts Act 1984 (Cth), Your Policy cover will be limited to the amount of such loss that is in excess of any indemnity or cover available to You in respect of that loss under any other policy entered into by You or under any other policy effected on behalf of You or under which You are a beneficiary.

Privacy Statement

HDI Global Specialty and Insurtech Agency are committed to protecting Your privacy in accordance with the Privacy Act 1988 (Cth) and the Australian Privacy Principles. In this section dealing with Privacy, "We", "Our" and "Us" refers to both HDI Global Specialty and Insurtech Agency. Further information about Our Privacy Policies is available:

for HDI Global Specialty at www.hdi-specialty.com/int/en/legals/privacy
or by contacting HDI Global Specialty on (02) 94233300

for Insurtech Agency at www.insurtechagency.com.au/privacy
or by contacting Insurtech Agency on 1300 089 978

This Privacy Statement outlines why and how We collect, disclose and handle Your personal information (including sensitive information) as defined in the Act about:

- You, if an individual; and
- other individuals You provide information about.

Why We collect, use, hold and disclose Your personal information

We collect Your personal information (including sensitive information) so We can:

- underwrite and administer Your insurance cover;
- advise You about and determine what other service or products We can:
 - provide to You, or;
 - that may interest You.
- identify You and conduct necessary checks;
- issue, manage and administer services and products provided to You or others, including processing requests for quotes, applications for insurance, underwriting and pricing Policies, issuing You with a Policy, managing claims, claims investigation, handling and settlement;
- maintain and improve Our services and products;
- make special offers or offer other services and products provided by Us or those We have an association with, that might be of interest to You.

You also have a legal obligation under the Insurance Contracts Act 1984 to disclose certain information. Failure to disclose information required may result in Us declining cover, a cancellation of Your insurance cover or reducing the level of cover, or declining claims. If You choose not to provide Us with the information We have requested, We may not be able to provide You with Our services or products or properly manage and administer services and products provided to You or others.

How We collect Your personal information

Collection can take place by telephone, email, or in writing and through websites (from data You input directly or through cookies and other web analytic tools). We collect it directly from You or Your agent. There may, however, be occasions where We collect Your personal information from someone else. This may include:

- Our authorised representatives;
- other insurers;
- Our legal or other advisors;
- anyone You have authorised to deal with Us on Your behalf;
- Our distributors or referrers, agents or related companies;
- service providers;
- another party involved in a claim including parties who assist Us in investigating or processing claims;
- third parties who may be arranging insurance cover for a group that You are a part of;
- providers of marketing lists and industry databases;
- publicly available sources;
- third parties claiming under Your Policy;
- witnesses and medical practitioners; and
- family members.

If You provide Us with personal information about another person You must only do so with their consent and agree to make them aware of:

- this privacy notice;
- that You will, or may, provide their information to Us and
- third parties We may provide it to;
- the relevant purposes We and any of such third parties will use it for; and
- how such persons can access their personal information.

If You provide another person's personal information, We rely on You to have obtained such other persons consent on these matters. If You have not done so, or will not do so, You must tell Us before You provide their relevant personal information.

To whom We disclose Your personal information

While underwriting and administering Your Policy, managing Your Claims as well as providing services to You, We may disclose Your information to entities to which We are related, insurers, reinsurers, contractors, Our representatives or third-party providers providing services related to Us or who are administering Your Policy including:

- other insurers and reinsurers;
- banks and financial institutions for Policy payments;
- assessors, investigators and third-party administrators, in the event of a claim;
- government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law;
- Your agents;
- Our legal, accounting and other professional advisers;
- Our contractors, representatives or agents who We have engaged to provide services;
- credit providers;
- other parties We may be able to claim or recover against;
- anyone either of Us appoint to review and handle complaints or disputes; and
- any other parties where permitted or required by law.

We also may need to disclose information to persons located overseas including United Kingdom and European Union. These countries are listed in Our Privacy Policies and may change from time to time and as may be notified in Our Privacy Policies. You can contact Insurtech Agency or HDI Global Specialty for details or refer to HDI Global Specialty's Privacy Policy or Insurtech Agency's Privacy Policy available at Our respective websites: www.insurtechagency.com.au or www.hdi-specialty.com/int/en/legals/privacy

More information, access, correction or complaints

Our Privacy Policies contain information about how You may access and seek correction of personal information We hold about You. In summary, You may gain access to Your personal information by submitting a written request to Us. In some circumstances permitted under the Privacy Act 1988, We may not permit access to Your personal information. Circumstances where access may be denied include where it would have an unreasonable impact on the privacy of other individuals, or where it would be unlawful. For more information about Our privacy practices including how We collect, use or disclose information, how to access or seek correction to Your information or how to complain in relation to a breach of the Australian Privacy Principles and how such a complaint will be handled, please refer to the HDI Global Specialty or Insurtech Agency Privacy Policies.

Complaints

The HDI Global Specialty and Insurtech Agency Privacy Policies also contain information about how You may complain about a breach of the applicable privacy principles and how We will deal with such a complaint.

Consent

Your application includes a consent that You and any other individuals You provide information about consent to the collection, use and disclosure of personal information as set out in this notice.

Contact Us and opting out

If You wish to withdraw Your consent, including for things such as receiving information on products and offers by Us or persons We have an association with, please contact Us.

Insurtech Agency:

By phone: 1300 089 978

By email: admin@insurtechagency.com.au

In writing: Privacy Manager, Insurtech Agency Suite 3, 24 Edgar St. COFFS HARBOUR NSW 2450

HDI Global Specialty:

By phone: (02)94233300

By email: PrivacyAustralianBranch@hdi-specialty.com

In writing: Privacy Manager, HDI Global Specialty SE – Australia, Tower 1, Level 33, 100 Barangaroo Avenue SYDNEY NSW 2000.

Electronic Communication

We may send Your Policy documents and Policy related communications electronically. This will be by email and/or other types of electronic communication methods. Policy documents and Policy communications will be provided to You in this way until You tell Us otherwise or We tell You it is no longer suitable. You will need to provide Us with Your current email address and Your Australian phone number. Each electronic communication will be deemed to be received by You at the time it leaves Our information system.

Complaints and Dispute Resolution

Insurtech Agency and HDI Global Specialty (“We”, “Us” or “Our” under this Complaints and Dispute Resolution section) treat complaints very seriously and believes You have the right to a fair, efficient and courteous service at all times. If You are dissatisfied with the service You have received, a declined Claim, the value of a Claim or financial hardship and wish to make a complaint, please contact Insurtech Agency who will endeavour to resolve the issue as quickly as possible.

What is a complaint?

A complaint is an expression of dissatisfaction made to or about Us, related to Our services, staff, or the handling of a complaint, where a response or resolution is explicitly or implicitly expected, or legally required.

The complaints process described below does not apply to Your complaint if We are able to resolve the complaint to Your satisfaction by the end of 5th business day after Your complaint was received by Insurtech Agency, or in the circumstances where We are unable to take any further action to reasonably address the complaint and We have explained the circumstances to You. The exemption to the complaints process does not apply to complaint regarding a declined Claim, the value of a Claim, financial hardship or in the circumstances where a written response is requested.

Internal Dispute Resolution Process (IDR)

What to do if You have a complaint?

If You have any concerns or complaints, You may in the first instance contact Insurtech Agency by either email or telephone:

Insurtech Agency:

Phone: 1300 089 978

Email: admin@insurtechagency.com.au

You may also contact HDI Global Specialty SE directly at:

Phone: +61 2 9423 3300

Email: HGABdisputes@hdi-specialty.com

Mail: HDI Global Specialty SE –Australia
Tower 1, L 33, 100 Barangaroo Avenue
Sydney NSW 200, Australia

To allow Us to consider Your complaint the following information needs to be provided (where available):

- Name, address, email and telephone number of the Policyholder
- Policy number, Claim number and product type
- Name and address of the insurance intermediary through whom the Policy was obtained
- Reasons why You are dissatisfied and an explanation of the situation that led to the complaint; an
- Copies of any supporting documentation You believe may assist Us in addressing Your complaint appropriately.

How We will handle Your complaint

We aim to acknowledge receipt of Your complaint by either telephone, email or social media channels within 1 business day and advise the name and contact of the employee assigned to liaise with You.

We will respond to Your complaint in writing within 30 calendar days of first being notified of the complaint, provided We have all the necessary information and have completed any necessary enquiries and/or investigations.

While We look to always deal fairly and promptly with all complaints and disputes, We understand that sometimes customers may not be happy with the final decision. If You are not satisfied with the outcome of Your complaint, there are alternative dispute resolution options such as mediation, arbitration or legal action available to You.

Definitions

Where the words listed below are used in the documents that make up Your Policy and are capitalised, they have the following meaning (unless otherwise stated). If a word is specifically defined in a section of the Policy, the definition contained in that section applies for that section only.

Additional Associated Insured Entity	<p>Means any entity listed as an 'Additional Associated Insured Entity' on the Policy Schedule (if any) but only if the entity meets the following criteria:</p> <ul style="list-style-type: none"> a) any individual, company, partnership or trust that holds a 25% or greater ownership, interest or shareholding in the Primary Entity; b) any company, partnership or unit trust in which the Primary Entity holds 25% or greater ownership, interest, control or shareholding; c) any discretionary trust where at least 25% or greater representation as trustee of the discretionary trust is held by entities covered under this Policy due to a) or b) above; or d) the spouse of an individual added in item a); provided that any individual included in item a) or d) must receive 50% or more of their total income from the Primary Entity or an Additional Associated Insured Entity. <p>In addition, in order to qualify as an Additional Associated Insured Entity and receive cover under this Policy, such entities must have had their Return prepared by the same Professional Service Provider as the Primary Entity.</p>
Audit	<p>Means any audit, investigation, inquiry, review or examination by an Authority into Your Return, or Compliance Obligations following an Audit Notice.</p> <p>If an investigation, inquiry, review or examination escalates or results in an Audit, this will be considered one Audit for the purposes of this Policy.</p> <p>Audit does not include any activity:</p> <ul style="list-style-type: none"> • involving a review of the professional services Your Professional Service Provider provided including how You were assisted; • that is a procedural Audit of Your Professional Service Provider's files; • that is relevant to maintaining Your industry status, licence compliance, or membership or any form of application, registration, or re-registration process, or occupational health and safety type compliance; • that relates to the gathering of information or data by a statutory authority that is not part of an Audit of Your Return or Compliance Obligations; • involved in the familiarisation, education, training, application, implementation, process or operation of any amendments or changes to existing, or the introduction of new legislation or industry regulation; or • involving a review of a Return or Compliance Obligations that is undertaken by You or Your Professional Service Provider in the absence of an Audit Notice.
Auditor	Means an officer from an Authority who is authorised under Australian laws to carry out an Audit of Your taxation or Compliance Obligations.
Audit Notice	Means a communication from an Authority addressed to You confirming the commencement of an Audit. A communication may be written or verbal.

	<p>An Audit Notice does not include any communication where You are not legally required to respond. This may include but is not limited to communication that is:</p> <ul style="list-style-type: none"> • for educational or information purposes; or • suggests or proposes actions but without a legal requirement for You to carry out those actions; • intended to inform or warn You that You may be selected for an Audit at a future time; <p>informing You of the opportunity to participate in a voluntary review of Your Return or Compliance Obligations.</p>
Authority	<p>Means any of the following:</p> <ul style="list-style-type: none"> • Australian Taxation Office; or • any Australian (Commonwealth, State or Territory) agency or body which has powers under Australian law to perform an Audit of Your tax return or Your Compliance Obligations.
Business Day	<p>Means a day which is a Monday to Friday, other than a public holiday in the State or Territory where You reside.</p>
Claim	<p>Means a claim under this Policy for Professional Fees.</p>
Compliance Obligations	<p>Means any audit, investigation, inquiry, review or examination by an Authority into the attendance of Your financial compliance obligations with that Authority, including Your Workers Compensation Return.</p> <p>This definition excludes any activity-based reviews or audits that have a main purpose other than the validation of meeting financial compliance obligations.</p>
Cyber Loss	<p>means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.</p> <p>In this definition:</p> <p>Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.</p> <p>Cyber Incident means:</p> <ul style="list-style-type: none"> - any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or - any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System. <p>Computer System means (whether owned or operated by the Insured or any other party) any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including</p>

	<p>any similar system or any configuration of the aforementioned and including any associated input, output, Data storage device, networking equipment or back up facility.</p> <p>Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.</p>
Limit of Cover	Means the amount shown in Your Policy Schedule as the maximum amount payable under this Policy in the aggregate.
Period of Insurance	Means the period between the Policy Start Date and Policy End Date shown in Your Policy Schedule unless the Policy is terminated or cancelled earlier.
Policy	Means Your insurance contract which consists of this Policy Wording, any endorsements, the Policy Schedule and any documents We tell You make up the Policy.
Policy Schedule	Means the document We have issued for Your Policy with the heading 'Policy Schedule', and which contains Your specific details and Limit of Cover provided. Updated Policy Schedules may be sent to You showing alterations to Your Policy.
Primary Entity or Policyholder	Means the entity listed as the Policyholder in the Policy Schedule.
Professional Fees	<p>Means the reasonable and necessary fees, costs and expenses which You are required to pay to Your Professional Service Provider in connection with an Audit.</p> <p>Professional Fees does not include:</p> <ul style="list-style-type: none"> • fees relating to or associated with the preparation of or advice in relation to any accounts, returns, taxation and financial records including any payment plan arrangements other than where it is necessary to respond to an Audit; • fees incurred for advice in relation to a Return before it is lodged; • any fees incurred for work done in relation to matters or periods not subject of the Audit; and • fees that relate to, or are associated with the preparation of any accounts, financial statements or documents which would or should have been ordinarily or prudently prepared prior to or at the time that the lodgement of any return or documents was required to be lodged.
Professional Service Provider	Means a qualified tax professional, such as an accountant, tax agent, or tax lawyer, who You have engaged to provide You with tax services and who manage Your taxation and/or financial affairs and who holds any registration or licence necessary to provide that service.
Return	Means any return that You are legally required to lodge with an Authority.
We, Our, Us, Insurer	HDI Global Specialty SE – Australia (ABN 58 129 395 544, AFSL 458776)

Workers Compensation Return	Means an Audit of Your wages or an Audit into Your liability to pay a workers' compensation premium;
You, Your	Means the entity or entities shown as 'Policyholder' and 'Additional Associated Insured Entity' in the Policy Schedule.

Insuring Clause – Audit

Subject to payment of premium by You, We will indemnify You up to the Limit of Cover for Professional Fees incurred by You in connection with an Audit of Your:

1. Return; or
2. Compliance Obligations.

of which You or Your Professional Service Provider first receives an Audit Notice during the Period of Insurance and You notify Us of the Audit Notice within 30 days of the end of the Period of Insurance.

We may pay any amount incurred by You, up to the Limit of Cover, under this insuring clause to You or to the Professional Service Provider for the applicable Professional Fees.

Exclusions applicable to all sections of this Policy

This Policy does not provide cover for any Claim arising from or in connection with:

- any Audit relating to an Audit Notice given to You or Your Professional Service Provider, outside of the Period of Insurance;
- any verbal, written or electronic communication of an actual or impending Audit given to You or Your Professional Service Provider outside of the Period of Insurance;
- any Additional Associated Insured Entity which does not meet the conditions set out in the definition of 'Additional Associated Insured Entity' in the Definitions section of this Policy;
- any fraudulently prepared, lodged or submitted Return;
- any Return not prepared by a Professional Service Provider;
- any tax liability, costs, interest, fines, tax penalties, or any similar payment imposed by an Authority, court or tribunal;
- any Professional Fees relating to an Audit Notice which is initiated due to You not lodging Your Return within the time limit prescribed by law or by the relevant Authority;
- any Professional Fees relating to an Audit Notice which is initiated due to You not paying all taxes by the date they are due as prescribed by law or by the relevant Authority;
- any Professional Fees relating to an Audit Notice which is initiated due to You not responding to the Authority within the timeframe it has given You to give Your response;

- an Audit commenced or conducted specifically in relation to a mass marketed tax avoidance, tax minimisation or tax exploitation scheme or arrangement unless the relevant Authority issued a prior product ruling in relation to the mass marketed scheme or tax exploitation scheme or arrangement;
- any Return that is not required by an Australian Authority;
- any Return if You, in the case of an individual, ordinarily reside outside Australia and its external territories; or You, in the case of a company, partnership or trust, are domiciled for tax purposes outside Australia and its external territories;
- any Audit concerning income earned outside Australia and its external territories or protectorates;
- any matters arising under customs legislation;
- any consequential or economic loss, whether direct or indirect;
- any government benefit, entitlement, grant or subsidy including any application, assessment or review of any of these;
- any amounts payable pursuant to any Notice of Assessment or Adjustment or Amended Notice of Assessment or Adjustment;
- any Australian Taxation Office Audit in circumstances where the Auditor has imposed a final shortfall or culpability penalty of 75% or more, this exclusion does not apply to any Audit of compliance with the *Superannuation Guarantee (Administration) Act 1992* (Cth) or any amendment or replacement of this legislation;
- any Australian Taxation Office Audit of compliance with the *Superannuation Guarantee (Administration) Act 1992* (Cth) or any amendment or replacement of this legislation where the Auditor has imposed a final shortfall or culpability penalty of more than 100% of the superannuation guarantee charge;
- Professional Fees in relation to any matter which is being investigated or results in a criminal prosecution;
- any fees that are not Professional Fees; or
- any Cyber Loss.

Sanctions exclusion

This Policy does not provide cover for, and We are not liable to pay any Claim or provide any benefit under the Policy to the extent that such Claim payment or the provision of such cover or benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, New Zealand, the United Kingdom, the European Union, one of its member states, or the United States of America.

Policy Conditions

You must comply with any conditions of this Policy. If You do not, Your Policy may not operate, and We may refuse to pay Your Claim, reduce Our liability by an amount that fairly represents the extent to which We have been prejudiced by Your failure to comply with the condition and/or cancel Your Policy where permitted by the *Insurance Contracts Act 1984* (Cth).

How must You conduct Your business?

You and Your Professional Service Provider must conduct Your tax and financial affairs in a manner which a reasonable person in Your position would, having regard to and taking steps to comply with any legal requirements, procedures or guidelines issued by an Authority or similar body, which are relevant to:

- a) the preparation of a Return;
- b) the keeping and preparation of records, books and other documents.

What precautions do You need to take?

You are required to comply with all statutory obligations and guidelines imposed by any Authority. If You do not comply with this condition and a Claim results, We may be able to reduce the amount We pay You.

What should You do if You need to make a Claim?

As soon as reasonably practicable, You should:

- notify Us after receiving an Audit Notice;
- provide Us with a copy of the Audit Notice with all relevant details including the affected entities and nature of the Audit;
- where there is no Audit Notice, Your Professional Service Provider should provide Us with a signed statement verifying that an Audit has commenced and including the following details:
 - Date of first contact by the Auditor; and
 - Auditor's full name and contact details.
- We may require You to provide Us with authority to contact the Auditor where this is reasonably necessary to assess Your Claim.

What information is required for a Claim to be assessed?

After You have notified Us of Your Claim You should provide Us with the following:

- for Claims exceeding \$1000, a detailed breakdown of the following information:
 - an itemised invoice showing the Professional Fees incurred clearly identifying all personnel involved in the Audit, hours involved and individual hourly rates;
 - detailed description of the scope of work and dates the work was performed;
 - details of the disbursements;
 - total Professional Fees and total disbursements incurred;
 - confirmation from the Auditor that the Audit has been finalised. Alternatively, You may provide Us with the confirmation in a written and signed declaration.
 - any other information We may deem to be reasonably necessary for Us to assess Your Claim

What must You do during an Audit?

You must, to the extent reasonably possible, ensure that any Professional Service Provider:

- takes all reasonable steps to minimise cost and delay in relation to an Audit. For example, appropriate utilisation of relevant staff for the work and applying standard hourly rates which are fair and reasonable in the circumstances;
- provides Us with information and documents which are reasonably necessary to assess or manage Your Claim which may include information about the progress of the Audit;

- responds to any requests or enquiries from the Auditor in a timely manner and within any deadline for response; and cooperate with Our Claims assessing staff.

Contact Information

General inquiries, including questions on coverage	<p>Contact AuditCover:</p> <ul style="list-style-type: none"> - Log in to Your AuditCover portal; - 1300 895 797 - hello@auditcover.com <p>Contact Insurtech Agency:</p> <ul style="list-style-type: none"> - 1300 089 978 - admin@insurtechagency.com.au
Other inquiries, including Claims and Complaints	<p>Contact Insurtech Agency;</p> <p>1300 089 978</p> <p>admin@insurtechagency.com.au</p>



AuditCover



Insurtech Agency