

Tax Avoidance – Amendment to Limit (aggregate cover)

The **Limit of Liability** in respect of any claim arising out of or relating to **Tax Avoidance** shall be amended to £ _____ :

For the purposes of this Endorsement, the following definitions shall apply:

Limit of Liability

shall mean the amount stated in the **Schedule** and which shall be the maximum amount of **Our** liability to pay:-

- a. any **Loss**; and
 - b. **Defence costs and expenses**; and
 - c. any other loss suffered or cost or liability incurred by **You** in respect of which **You** may be entitled to an indemnity under this **Certificate's** Insuring Clauses
- in the **Aggregate**

Tax Avoidance

shall mean the arrangement of financial affairs to obtain a tax or financial advantage which was not, or could not reasonably have been, an intention of parliament or the courts including but not limited to transactions or arrangements:

- where HMRC has allocated a Disclosure of Tax Avoidance Scheme (DoTAS) Number for inclusion on the relevant Self-Assessment Return or where a DoTAS Number would have been issued but for the failure to notify HMRC of the tax planning arrangement;
- which have little or no economic substance or which have tax consequences not commensurate with the change in a taxpayer's (or group of related taxpayers') economic position;
- bearing little or no pre-tax profit which rely wholly or substantially on anticipated tax reduction for significant post tax profit;
- that result in a mismatch such as:
 - a. between the legal form or accounting treatment and the economic substance; or
 - b. between the tax treatment for different parties or entities; or
 - c. between the tax treatment in different jurisdictions;
- exhibiting little or no business, commercial or non-tax driver;
- involving contrived, artificial, transitory, pre-ordained or commercially unnecessary steps or transactions;
- designed to sidestep the effect of legislation which has been enacted to target particular, alternative transactions or arrangements and give them a particular tax result, but which otherwise achieve the same result; or
- which HMRC have declared to amount to avoidance.