

TERMS AND CONDITIONS

Services NV Vandelanotte for tax checks

The invocation of services must be received by NV Vandelanotte or the person or company appointed by it during the term of the service agreement or within the *Notification Period*.

■ DEFINITIONS

The terms defined below have the same meaning everywhere in these general terms and conditions when they are presented in italics.

■ APPOINTED CONSULTANT OR SERVICE PROVIDER

NV Vandelanotte (hereinafter referred to as "Vandelanotte") or any other sufficiently qualified person or firm appointed by Vandelanotte to represent the *Client* in accordance with these terms and conditions.

■ CHECKS OF THE CORPORATE DOCUMENTS

Checks by the *Tax Authorities* on the adequacy of the statutory business documents to be kept by Small and Medium-sized Enterprises (companies with an annual turnover of less than €38 million employing less than 250 people).

■ SERVICE AGREEMENT

Agreement in which the *Service Provider* undertakes to provide services for the benefit of the *Customer* following a tax audit with which the *Customer* may be faced.

■ CLIENT

The company, firm, partnership, association, individual or any other legal identity for which the *Service Provider* provides services under the *Service Agreement*.

■ FEE

Amount that the *Client* must pay to the *Service Provider* to be able to avail of the *Service Provider* under the *Service Agreement*.

■ MAXIMUM AMOUNT OF SERVICES AND COSTS

The maximum amount per year of services provided by the *Service Provider* and costs borne by the *Service Provider* under the *Service Agreement*.

■ NOTICE PERIOD

The period of 30 days starting on the first day after the termination of the *Service Agreement* during which an invocation of the *Service Agreement* can be submitted provided that this request relates to a fact, act or event covered by the *Service Agreement* which occurred during the *Term of the Service Agreement*.

■ TERM OF THE SERVICE AGREEMENT

The period during which the *Service Agreement* is in force and during which the Service Provider undertakes to provide services for the benefit of the Client as a result of a tax audit with which the Client may be confronted.

■ PROFESSIONAL COSTS

All fees, costs and other expenses incurred in connection with the work performed for the benefit of the *Client* by the *Appointed Consultant* within the framework of any matter falling within the terms of the *Service Agreement*.

■ TAX AUTHORITIES

Vlaamse *Belastingdienst* (Flemish *Tax Authorities*) (VLABEL) (Flanders) and SPF Finance (Wallonia) and FOD Financiën (Belgium).

■ TAX EVASION SCHEME

Any mechanism of tax evasion or tax planning system applied by the *Client* whereby the *Tax Authorities* assign a special code or number that must be included in the *Client's* tax return or whereby such number would have been assigned, were it not for the fact that the Client did not inform the *Tax Authorities* of the system or of any mechanism for tax evasion or tax planning system that may constitute a violation of the General Anti-Avoidance Rule.

■ TERRITORIAL BORDERS

Belgium.

■ THE SERVICE AGREEMENT COVERS:

Professional fees and costs related to:

1. Full and partial audits by the Tax Authorities of the corporate tax return or the personal income tax of the *Client*.
2. The preparation, submission and processing of replies to requests for information, notifications of changes in the declaration, objections and official assessments of the *Tax Authorities*.
3. Full and partial audits by the *Tax Authorities* of VAT and tax returns
4. Checks on the self-employed status by the *Tax Authorities*
5. Checks of business documents by the *Tax Authorities*
6. Audits on inheritance tax / succession tax by the *Tax Authorities*
7. Checks on tax credit for children by the *Tax Authorities*



8. Checks by the *Tax Authorities* on the correct application by the *Client* of pay scales for determining tax reductions for employees.
9. Audits of possible fraud by the Special Tax Inspectorate (the *Maximum amount of services and costs* from the Service Provider will in this case amount to €5,000.00).
10. Requests for information by the tax inspectorate via regular post, e-mail or telephone with e-mail confirmation, regardless of whether an investigation follows this.

■ THE SERVICE AGREEMENT OFFERS NO COVERAGE FOR:

1. Costs incurred before conclusion of the *Service Agreement*.
2. Work that took place before the *Client* was informed in writing of a check by the *Tax Authorities*.
3. Taxes, interest, periodic penalty payments and fines or other charges imposed by the *Tax Authorities*.
4. Any fraud investigation accompanied by an inspection by the Special Tax Inspectorate (BBI/ISI) or the *Tax Authorities* unless this investigation indicates that the *Client* has not been engaged in fraudulent practices.
5. Costs incurred as a result of professional negligence, which would normally be covered by the *Client's* professional liability insurance.
6. Any matter about which the *Client* has communicated with the *Tax Authorities* without seeking advice from the *Service Provider* (or another sufficiently qualified adviser) to ensure that such communication does not disadvantage the position of the *Client* in relation to the *Tax Authorities*.
7. Any invocation of the *Service Agreement* or any event covered by the *Service Agreement* that arose before or already existed on the date on which the *Service Agreement* was concluded, or any request under the *Service Agreement* relating to circumstances that arose before or already existed at the time when the *Service Agreement* was concluded, and whereby the *Service Provider* or the *Client* should have known that these could give rise to an invocation of the *Service Agreement* in accordance with the *Service Agreement*.
8. Any invocation of the *Service Agreement* that is related to the defence in a criminal prosecution.
9. Any invocation of the *Service Agreement* relating to or resulting from an audit of the *Client's* tax return, an amended tax return of the *Client* or any other legally required return that was not submitted within 30 days of the expiry of the legally prescribed period, unless the *Tax Authorities* confirm in writing that they accept the delay.
10. Any invocation of the *Service Agreement* relating to or resulting from an audit of the tax affairs of the *Client*, if the *Tax Authorities*, in the absence of a tax return, have not been informed of a tax liability within the legally prescribed period.
11. Any invocation of the *Service Agreement* relating to an audit following correction of a tax return if the error to be corrected was due to an intentional act of the *Client*, *Appointed Consultant* or other representative or if the *Client* refuses to comply with the reasonable request of the *Tax Authorities* to correct the tax return.
12. Work that normally has to be carried out by the *Appointed Consultant* at the expense of the *Client*. Those activities include, but are not limited to:

- (a) The preparation or correction of tax returns, invoices, forms, VAT returns or other legally required declarations;
 - (b) Audits performed on the accounting and/or other documents of the *Client*;
 - (c) The routine presentation of the business of the *Client* including the reconciliation of annual accounts with VAT returns;
 - (d) The correction or reconstruction of the accounts and documents that were not kept up to date with sufficient care.
13. Any invocation of the *Service Agreement* that is submitted, initiated or filed outside the *Territorial Borders*.
 14. Any invocation of the *Service Agreement* that is not notified during the Term of the Service Agreement or within the Notification Period.
 15. If a legal adviser has been instructed to determine the likelihood of success.
 16. Any invocation of the Service Agreement whereby the Client makes use of a Tax Evasion Scheme.
 17. Any invocation of the *Service Agreement* that is related to the defence in a dispute concerning the employment status of the *Client* unless the *Appointed Consultant* has represented the *Client* since the beginning of the dispute.
 18. The obtaining of a professional valuation with a view to capital gains tax.
 19. Any *claim* related to a compliance check that involves the review of the business or other financial documents of the *Client* by the *Tax Authorities* and all costs related to the time spent on such a review.

■ **COVERAGE CONDITIONS – GENERAL**

1. PAYMENT OF THE FEE

The *Service Agreement* may only be invoked if the *Client* has paid the *Fee* owed to the *Service Provider*.

2. END OF THE SERVICE AGREEMENT

The *Service Agreement* shall be terminated by operation of law if the *Service Provider* ceases to be the *Client's* accountant and/or accounting or tax adviser.

3. INVOCATION OF THIRD PARTIES

In the context of the *Service Agreement*, the *Client* may only invoke services provided by the *Service Provider* or a (legal) person appointed by it and not services provided by third parties.

4. TERMINATION

The *Service Agreement* may be terminated under the special conditions stipulated in the *Service Agreement*.

5. DISPUTES

Any dispute or disagreement between the Client and the *Service provider* shall be settled in as amicable a way as possible. In the absence of an amicable settlement, only the courts of the *Service Provider's* registered office shall be competent.

6. INABILITY

If a *Client* becomes insolvent after invoking the *Service Agreement* and before the work in question has been terminated, the *Service Provider* reserves the right to terminate its work on behalf of the Client.

7. MINIMISING INVOCATION OF THE SERVICES OR TAX PROCEDURES

The *Service provider* can limit its work under the *Service agreement* if the *Client*:

- (a) Has not taken all reasonable measures to reduce the costs and consequences of an inspection or dispute with the *Tax Authorities* to a minimum;
- (b) Has not complied with the taxpayers' obligation to keep documents and records, including documents that must be kept in accordance with the regulations on tax returns, and, in the case of a company, to keep documents and accounting records;
- (c) Has failed to cooperate fully and provide all information to the *Appointed Consultant*, such as a complete and true picture of its activities and any relevant documents or other evidence.

8. PREPARED OR SUBMITTED

If the last tax return submitted by a *Client* was not drawn up or submitted by the *Appointed Consultant* due to the fault of the Client and the return contains substantial errors or omissions for reasons attributable to the Client, any reliance on the *Service Agreement* resulting from a review of that return by the *Service Provider* may be limited to an amount of services and costs that would have been due if the return had not contained any significant errors or omissions.

9. APPLICABLE LAW

This policy is governed by Belgian law.

10. FRAUDULENT INVOCATION OF THE SERVICE AGREEMENT

The service provision may be discontinued at the *Service Provider's* discretion if the *Client* invokes the *Service Agreement*:

- (i) knowing that this request is in some way fraudulent or false; or
- (ii) in circumstances where the Client reasonably should have known the invocation was false or fraudulent in some way;
- (iii) if there is collusion between the parties involved in this dispute.

The *Fee* owed and/or paid by the *Client* to the *Service Provider* shall remain owed and/or obtained by the *Service Provider*.

11. COVER CONDITIONS

11.1. Suspensive condition for the performance of the *Service Provider*



The *Client* must adhere to and comply with the terms and conditions of the *Service Agreement*. All conditions of the *Service Agreement* relating to what the *Client* must do or comply with are suspensive conditions for any obligation on the part of the *Service Provider* to perform under the *Service Agreement*.

11.2. Information and personal details

The *Service Provider* has the right to acquire from the *Client* any information or personal data relating to an invocation of the *Service Agreement*, regardless of whether this is privileged information or not. Upon request, the *Client* shall give the *Appointed Consultant* the necessary instructions to gain access to this data. The *Client* also authorises the *Service Provider* to exchange all required information with any third party, e.g. the insurance company, within the framework of the *Service Agreement*.

11.3. Claim for recovery of costs

The *Client* must do its utmost to recover *Professional costs*. Recovered funds must initially be used to pay the *Service Provider*.

11.4. Right to service

The *Service Provider* may refuse and/or discontinue the provision of services if the *Client* enters into an agreement with the *Tax Authorities* without the prior written consent of the *Service Provider* and the *Service Provider* will be entitled to reclaim previously paid *Professional costs*.

If the *Client* refuses to accept a proposal for an agreement on the part of the *Tax Authorities* or makes a proposal with which the *Service Provider* does not agree, the *Service Provider* will no longer provide any further services or pay any costs.