



GENERAL TERMS AND CONDITIONS

HILLBROOK EXPATRIATE TAX SOLUTIONS (VERSION January 1, 2014)

Chamber of Commerce Amsterdam nr 34394266

1. GENERAL

In these General Terms and Conditions, the following terms mean:

- 1.1 "Client": the natural person or legal entity or any affiliated person with it or any third party instructed by the Client who has entered into an Engagement with the Contractor for the Performance of Services or has requested the Contractor to perform Services.
- 1.2 "Contractor": Hillbrook Expatriate Tax Solutions or one of the legal entities or partnerships affiliated with it.
- 1.3 "Services": all work performed by the Contractor of any nature whatsoever, including but not limited to: the preparation of tax returns, rendering advice in the field of or derived from tax legislation, the preparation of calculations in connection with tax legislation, rendering advice on tax and/or financial future planning, rendering advice with regard to organising and handling of a financial administration or a payroll administration, rendering advice in connection with annual accounts, analysing and interpreting data derived from a financial administration, rendering advice in the field of administrative requirements, in the broadest sense, rendering services for and giving advice on and supervising legal conversions of businesses, company takeovers, company mergers, share transactions, as well as related fiscal matters in the broadest sense, representing the Client's interests as a tax advisor, also in the broadest sense.
- 1.4 "Engagement": the agreement between the Client and the Contractor for the provision of Services upon the Engagement Terms (and/or any written variations agreed between the Client and the Contractor).
- 1.5 "Engagement Letter": the terms and appendices (including these General Terms and Conditions) which sets out the basis of the contract for Services between the Contractor and the Client
- 1.6 "Engagement Terms" the terms contained (or referred to) in the Contractor's Engagement Letter (of which these General Terms and Condition form part)

2. APPLICABILITY

- 2.1 These General Terms and Conditions apply to all legal relationships between the Contractor and the Client concerning the Services performed or to be performed by the Contractor for the Client, including an offer made by the Contractor to the Client for the performance of Services.

- 2.2 Departures from these General Terms and Conditions will only have effect if such departures are confirmed by the Contractor in an Engagement Letter or other writing.
- 2.3 The contractor as well as all the persons whose services are engaged in the executing of an assignment, may invoke these general terms and conditions. In the event that, in the carrying out of its assignment, the Contractor should engaged the services of third parties, the client shall now for then accept all limitations of liability invoked vis-à-vis the Contractor by such third parties.

3 PROFESSIONAL RULES OF CONDUCT

- 3.1 Services will be performed in accordance with the professional rules applicable to registered “belastingadviseurs”, who are a member of the Dutch Order of Tax Advisors (De Nederlandse Orde van Belastingadviseurs).

4. ENGAGEMENTS

- 4.1 Engagements and changes to them may be given to the Contractor both orally and in writing. They will only be binding on the Contractor if the Contractor has accepted them in writing in an Engagement Letter.
- 4.2 An Engagement is continuous unless the Engagement Letter stipulates otherwise.
- 4.3 The Contractor’s Engagement Letter is a true representation of the Engagement given to the Contractor, unless the Client notifies the contractor within 48 hours.
- 4.4 All client assignments are deemed to have been given to the Contractor as an organisation, even in the event that it is the explicit or implicit intent that the assignment be performed by a specific person. Article 7:404 of the Dutch Civil Code, which provides for the latter and article 7:407 subsection 2, which creates a joint and several liability where assignments have been given to two or more persons, shall not apply.
- 4.5 An obligation to make every effort in the performance of Services will apply at all times, and never an obligation to produce results, unless explicitly agreed otherwise in the Engagement Terms.
- 4.6 The Contractor will be entitled to perform and charge the Client for more Services than agreed in the Engagement Letter, if this additional work is unequivocally in the Client’s interest and/or must reasonably be considered desirable for the best possible performance of the Engagement. The Contractor will inform the Client as soon as possible about these additional Services, stating the nature and scope.

5 TERMINATION

- 5.1 The Client and the Contractor are entitled at all times to terminate an Engagement, with due observance of a notice period of 10 working days. Such termination must be communicated in writing to the other party.
- 5.2 In the event of premature termination by the Client of tax return preparation and/or advice Engagements for which Services have already commenced, the Contractor is entitled to charge the fee up to and including the date of written termination of the respective Engagement increased by the fees in connection with the transfer of the Client’s fiscal affairs to another Tax advisor or auditor.

6. FEES

- 6.1 All price quotations by the Contractor are free of obligation and are made exclusive of BTW (Dutch VAT).

- 6.2 Where they have not otherwise been set or agreed in the Engagement Letter, the Contractor's fee is calculated by reference to the time spent on any particular Engagement multiplied by the hourly rates applicable to partners and/or staff who provide the Services in question, failing which it is determined on the basis of standards customary in the circle of its professional colleagues.
- 6.3 The fees can be adapted as per January 1 of each year. The fee will be due according to the extent to which the Contractor has performed Services for the Client.
- 6.4 The Contractor's fee will not depend on the results of the Engagement, unless explicitly agreed otherwise in the Engagement Letter.
- 6.5 The Contractor will draw up periodic, specified invoices relating to the Services performed in the period in question. The Contractor will not be obliged to specify items in its invoice other than: the nature of the Service, the period in which the Service was performed, the hourly rate charged and the number of hours spent.
- 6.6 Costs incurred by the Contractor in all reasonableness, including those for the engagement of third parties when this is considered necessary, may be charged separately to the Client as out-of-pocket expenses.

7. ADVANCE PAYMENTS / SECURITY / SUSPENSION

- 7.1 The Contractor is entitled at all times to charge the Client an advance retainer and/or to request a deposit as a fixed advance payment, in the form desired by the Contractor for the payment of outstanding and/or future invoices of the Contractor.
- 7.2 The Contractor may suspend (further) performance of the Engagement until the requested advance payment has been made or the security desired by the Contractor has been provided.
- 7.3 Advance payments made will be deducted in the periodic invoices. Security will be released at the end of the Engagement, as soon as The Client has paid all outstanding invoices to the Contractor.

8. PAYMENT

- 8.1 Invoices must be paid within fourteen days of the invoice date.
- 8.2 In the event of non-payment or incomplete payment within the stipulated period as mentioned in 8.1, the Client will be in default by operation of law, without any further notice of default or demand letter being required and the Contractor will be entitled to charge interest at the statutory rate and take the measures it deems necessary to have the outstanding fee statement paid.
- 8.3 Payment must be made in legal Dutch tender at the Contractor's offices or in a bank account indicated by the Contractor.

9. COMPLAINTS

- 9.1 A complaint in relation to Services provided by the Contractor will not suspend the Client's payment obligation.
- 9.2 The Contractor must be informed of complaints relating to the amount of an invoice in writing within 14 days after the invoice is sent, or risk forfeiture of the right of complaint.
- 9.3 Complaints relating to the scope / quality / promptness of Services must be submitted in writing within 14 days of the day on which the reason for submitting a complaint occurred or should reasonably have been known to the Client, clearly stating the complaint.
- 9.4 In the event of a complaint, the Contractor will have the choice between adjusting the fee it has charged, improving or performing the rejected Services again free of charge or ceasing to perform all or part of

the Engagement against a pro rata refund of any amounts the Client may have already paid for the Services.

10. LIABILITY

- 10.1 In the event that when carrying out a client assignment, an event should occur which may lead to a liability, such liability shall be limited to the amount or amounts indemnified by the Contractor's professional liability insurance. Such amount(s) shall include Contractor's deductible as stated under this insurance. This event shall also include a failure to act.
- 10.2 In the event that, by or in connection with the performance of a client assignment or otherwise, damage, for which Contractor is liable, is caused to persons or property, such liability shall be limited to the amount to the amount or amounts covered by Contractors third party indemnity insurance (AVB). Such amount(s) shall include Contractor's deductible as stated under this insurance.
- 10.3 If for any reason whatsoever no benefits are payable under this insurance, liability is limited to two times the amount paid in the relevant calendar year by the client for the particular services performed (exclusive VAT), but only up to a maximum of € 3.500. A limitation of liability within the meaning of this article does not apply to loss or damage resulting from consciousness recklessness ('bewuste roekeloosheid') or intentional misconduct on the part of Contractor or its tax advisors.
- 10.4 The Contractor is never liable for indirect damages. If, however, the Client's direct loss is connected with or caused by services provided by the Contractor in the context of company takeovers, company mergers, share transactions, as well as related financial matters in the broadest sense of the word, any liability of the Contractor will be excluded.
- 10.5 The Contractor will have the right at all times to undo the Client's loss.
- 10.6 The Contractor will not be liable for the destruction of documents during transport or dispatch by post, whether or not the transport or dispatch was carried out by or on behalf of the Client, the Contractor or third parties.
- 10.7 The Contractor does not warrant the correctness and completeness of messages sent by electronic mail, unless these have been confirmed in writing to the Client by mail or fax.
- 10.8 The Contractor is not liable for loss that may possibly arise from the Client's use of data or information sent by fax or electronic mail nor is the Contractor liable for the contents and consequences of (electronically) submitted tax returns on behalf of the Client.
- 10.9 The Client indemnifies the Contractor against any claim of third parties which is directly or indirectly related to the performance of the Engagement.
- 10.10 A claim for damages shall expire after a period of twelve months from the day following the day on which the client became aware of the damages and/of the Contractor as the liable party.

11. JOINT AND SEVERAL LIABILITY

- 11.1 The Client recognises a liability towards the Contractor for all financial obligations arising from an Engagement carried out for (legal) persons that belong to a conglomerate, concern, partnership, co-operation or other entity of the Client, except to the extent natural persons or legal entities are concerned which the Contractor knows or regarding which it should be clear to the Contractor that they have nothing to do with the Services performed and cannot have any material influence on the policy relating to the (entire) group of companies or joint venture.
- 11.2 In the case of a single Engagement between the Contractor and more than one Client, each Client is individually liable for the payment of the entire invoice amount in as far as the work has been carried out on behalf of the joint Clients.

12. RIGHT OF RETENTION

- 12.1 The Contractor is entitled to suspend its performance and/or the issuance of all the Client's supplied data and records, until the Client in question has paid its invoices to the Contractor or has provided appropriate security for such purpose to the Contractor's satisfaction.
- 12.2 The Contractor is entitled to suspend or discontinue Services until the Client pays the Contractor's outstanding invoice.

13. PERFORMANCE OF THE ENGAGEMENT

- 13.1 The Client must provide the Contractor with data in the desired form which the Contractor considers necessary for proper performance of the Engagement in accordance with generally accepted professional rules of conduct. Failing this, the Client is in default by operation of law towards the Contractor.
- 13.2 The Contractor will be entitled to demand that certain assets or other information it desires are shown or provided to it.
- 13.3 The Contractor is obliged to carry out the Engagement with due care.
- 13.4 The Contractor will decide how the Engagement is to be carried out and, if so desired, inform the Client of this in advance unless this is not compatible with the nature of the Engagement.
- 13.5 The Contractor will be entitled to have part of the assignment carried out by third parties if, in its opinion, this promotes a good, adequate or efficient performance of the assignment, or can reasonably be expected to do so. The Contractor shall, in the execution of the assignments awarded to it and at the selection by it of third parties given to be engaged, observe the duty of due care which may reasonably be expected of it under the given circumstances. The Contractor must consult the Client of its intention is request the Services of a third party prior to the Engagement of the third party. The Contractor shall not be liable for a shortcoming or unlawful act of engaged third party.
- 13.6 The Client's instructions, provided they are reasonable, will be honoured as much as possible. However, the Contractor reserves the right not to follow these instructions. Should the Client persist in complying with his directions and the Contractor refuses to honour these, the Engagement will be cancelled on account of grave events ('gewichtige redenen') under observance of the earlier mentioned notice term of Article 5. The fees payable by the Client will then be assessed in accordance with the last sentence of Article 5.

14. CONFIDENTIALITY

- 14.1 The Contractor must maintain confidentiality with respect to all information and knowledge that has been made available to the Contractor pursuant to its position, all this in the broadest sense of the word, except in as far as the performance of Services requires that statements are made and except in as far the supply or disclosure of data are prescribed by law or by international rules. This stipulation does not prevent confidential consultation with colleagues within or outside the Contractor's organisation, in so far as the Contractor considers this necessary for a careful performance of the assignment or for careful compliance with statutory or professional obligations.
- 14.2 After processing the results of figures, the Contractor will be entitled to use them for the purposes of statistics or comparisons, provided those results cannot be traced to individual Clients.
- 14.3 Except for the stipulations in Article 15.2, the Contractor will not be entitled to use the information provided by the Client for a purpose other than that for which it was obtained.

15. INDUSTRIAL AND INTELLECTUAL PROPERTY

- 15.1 All industrial or intellectual property rights in relation to computer programs, calculations, spreadsheets, methods and advices originating from and used by the Contractor are and remain the Contractor's exclusive property, during as well as after performance of the Engagement, all this irrespective of any of the Client's own input.
- 15.2 The Client is expressly prohibited from exercising these rights of the Contractor in conflict with this stipulation or allowing third parties to benefit from them directly or indirectly through the transfer of knowledge, reproduction of data and instructions originating from the Contractor, or otherwise.

16. RISK OF INFORMATION STORAGE

- 16.1 The Contractor must provide for careful storage of information originating from the Client.
- 16.2 Unless the Contractor can be blamed for gross negligence, the Contractor will not be liable in any way for damage or total or partial loss of the information and/or administrative records supplied by the Client.
- 16.3 The Client will bear the entire risk of damage or destruction, both during storage and during transport or dispatch. The Client indemnifies the Contractor for any claims of third parties in this regard.

17. DISPUTES AND APPLICABLE LAW

- 17.1 The relationship between the Contractor and Client is governed exclusively by Dutch law. The District Court of Amsterdam shall have exclusive jurisdiction over any dispute arising between the Contractor and a client.
- 17.2 These general terms and conditions are drawn up in English. The English text is binding.

Hillbrook Expatriate Tax Solutions
De Boelelaan 7 – vii
1083 HJ Amsterdam