

General Terms and Conditions

HBK B.V.

Article 1 - General

- 1.1 HBK B.V. is a private company with limited liability in the Netherlands.
- 1.2 The following definitions are used in these General Terms and Conditions:
Client: the counterparty to the Contractor in an Agreement as referred to in Article 2.1.
Contractor: HBK B.V. with its place of business in Leiderdorp, including SAS for Expats - a part of HBK tax advisers.
Work: all activities for which an order has been placed, or which the Contractor carries out on another basis. The above applies in the broadest sense of the word and in any event comprises the work as specified in the order confirmation.
Documents: all goods, including documents or data media, which the Client has made available to the Contractor, as well as all goods, including documents or data media produced by the Contractor within the scope of performance of the Agreement.
- 1.3 Setting aside the provisions of Sections 404 and 407 subsection 2 of Book 7 of the Dutch Civil Code, all assignments will be accepted and carried out exclusively by the Contractor.
- 1.4 All the provisions in these General Terms and Conditions shall also apply to the management, both direct and indirect, and all persons working for the Contractor.

Article 2 - Applicability

- 2.1 These General Terms and Conditions shall apply to all Agreements to provide services (*overeenkomsten van opdracht*), including work performed by the Contractor, and its direct and indirect directors and/or those working for the Contractor, to all agreements arising therefrom and/or related thereto between the Client and the Contractor, and their legal successors, as well as all quotations and/or tenders issued by the Contractor.
- 2.2 Provisions departing from these General Terms and Conditions shall only be valid if and to the extent that the Contractor has expressly confirmed these in writing with the Client.
- 2.3 If any provision which forms part of these General Terms and Conditions or the Agreement should be invalid or become void, the remainder of the Agreement shall as far as possible remain in force and the provision in question shall be promptly replaced in consultation between the parties, by a provision which as far as possible approximates the intention of the original provision.
- 2.4 The General Terms and Conditions of the Client shall only apply to Agreements entered into with the Contractor to the extent that they do not conflict with these General Terms and Conditions. In the event of doubt about whether a conflict exists, the General Terms and Conditions of the Contractor shall prevail.

Article 3 - Start and duration of the Agreement

- 3.1 The Agreement shall be deemed to have been entered into at the time that the order confirmation, signed by the Client and the Contractor, is received by the Contractor, unless the parties reach agreement by a method other than written confirmation of the order. The confirmation shall be based on the information provided at the time to the Contractor by the Client. The order confirmation shall be deemed to fully and correctly reflect the Agreement.
- 3.2 The Agreement shall be entered into for an indefinite period, unless on the basis of the content, nature or scope of the Agreement to provide services, it is clear that this has been entered into for a finite period.
- 3.3 The parties are free to prove the establishment of the Agreement by other means.

Article 4 - Information and data

- 4.1 The Contractor is only obliged to perform the work or continue to do so if the Client has provided all the information and data requested by the Contractor in the form and manner as required by the Contractor. Additional costs resulting from failure on the part of the Client to make the requested information or data available, in the proper manner or to do so in time, will be charged to the Client.

- 4.2 The Client is required to notify the Contractor immediately regarding any facts and circumstances which may be relevant in connection with the fulfilment of the Agreement.
- 4.3 The Client guarantees that the information and data provided to the Contractor by and on behalf of the Client is correct, complete and reliable.
- 4.4 The Contractor shall be entitled to suspend the performance of the work until the Client has complied with the obligations set out in the above paragraphs.
- 4.5 If and insofar as the Client so requests, the documents and information made available will be returned to the Client, notwithstanding the provisions of Article 16.

Article 5 - Fulfilment of the Agreement

- 5.1 The Contractor shall determine the manner in which and by which person or persons the Agreement will be fulfilled, while as far as possible taking into account any instructions issued by the Client.
- 5.2 The Contractor shall perform the Work to the best of his ability and in a professional and careful manner. The Contractor cannot guarantee however that any envisaged result will be achieved.
- 5.3 The Contractor shall be entitled, without notifying the Client, to have certain work carried out by a person or third party designated by the Contractor, if in the Contractor's opinion this would be desirable for the purpose of the optimum performance of the work.
- 5.4 The work will be carried out in accordance with the applicable professional code of conduct. Upon request by the Client, the Contractor will send a copy of the applicable professional code of conduct. The Client shall respect the professional code of conduct as well as the obligations arising therefrom which apply to the Contractor as well as to those working for or at the Contractor.
- 5.5 Tax related assignments shall be carried out in accordance with the Code of Professional Conduct (*Reglement Beroepsuitoefening*) and the Disciplinary Code (*Reglement Tuchtzaken*) of the Dutch Association of Tax Advisors (*NOB*). A copy of these codes will be sent to the Client on request. The Client shall respect the obligations arising from these Codes of Conduct which apply to the Contractor and those who work for or at the Contractor.
- 5.6 If, and to the extent that, the assignment includes preparing the financial statements of a company as referred to in Section 101 of Book 2 of the Dutch Civil Code and only when specifically requested to do so by the Client, will the Contractor endeavour to supply the financial statements in question within 5 months of the end of the company's financial year, provided that the Client has supplied all the information and data requested by the Contractor in a timely fashion, in the form and manner required by the Contractor.
- 5.7 Excepting the cases referred to in Article 5.6, the Client shall provide on first request by the Contractor, a decision by the Annual General Meeting of the Shareholders, extending the period as referred to in the previous paragraph by six months.
- 5.8 Unless it has been established that the Agreement cannot be executed (*nakoming is blijvend onmogelijk*) - the agreement cannot be dissolved by the Client because the period of time as stipulated in the agreement and/or order confirmation has been exceeded, unless the Contractor continues to fail to fulfil the Agreement in part or in full within a reasonable period of time stated in writing after the end of the agreed delivery period.
- 5.9 If in the context of the Agreement, work is performed for the profession or business of the Client which does not fall under the activities as agreed upon in the order confirmation, any notes relating to this work in the Contractor's records will be presumed to have been taken in connection with an incidental assignment for the Client. These notes should relate to meetings between the Client and the Contractor in the intervening period.
- 5.10 Unless otherwise expressly stated in writing, the fulfilment of the Agreement is not specifically intended to detect fraud. If signs of fraud are discovered as a result of the work, the Contractor shall report this to the Client. The Contractor is required to observe the prescribed guidelines on fraud as stipulated by the professional organisations.

Article 6 - Periods

- 6.1 If an advance is payable by the Client or essential information and/or items must be made available for the work to be carried out, the period within which the work should be completed will not start until the payment has been received in full, or the information and/or items have been made available in full.
- 6.2 An indication of the delivery period, or of any period within which the Contractor must meet his obligations, will be given to the best of his knowledge, but this indication shall never be a final deadline (*fatale termijn*), unless this has been expressly stipulated otherwise.
- 6.3 In the event of delayed delivery or compliance the Client should send a written demand to the Contractor in which the Contractor is granted a reasonable extension of the delivery date by at least 14 days. Only once this period has been exceeded shall the Client be entitled to dissolve the Agreement to the extent that there has still been no delivery, without the Contractor being required to pay any damages.

Article 7 - Confidentiality and exclusivity

- 7.1 In fulfilling the Agreement, the Contractor is required to maintain the confidentiality of the information and data provided by or on behalf of the Client towards third parties who are not involved in the performance of the work. This obligation does not apply insofar as the Contractor is subject to a legal or professional duty of disclosure, which also includes the reporting requirements arising from the Act on the prevention of money laundering and terrorist financing (*Wet ter voorkoming van witwassen en financieren van terrorisme (the Wwft)*) and other national or international legislation of a similar nature, or to the extent that the Client has discharged the Contractor from the duty of confidentiality. This provision shall not prevent confidential consultation between colleagues within the Contractor's organisation, to the extent that the Contractor considers this necessary for the proper fulfilment of the Agreement or the due observance of the statutory and professional requirements.
- 7.2 In the event that the Contractor is acting on his own behalf in disciplinary, civil or criminal proceedings, the Contractor shall be entitled to use the information and data provided by or on behalf of the Client as well as other information and data that he has become aware of in the course of performing the work insofar as this may be relevant in his reasonable judgement.
- 7.3 Except with the express prior written permission of the Contractor, the Client is not permitted to make public the contents of reports, recommendations, opinions or other written or unwritten communications by the Contractor, or otherwise make them available to third parties, except insofar as this directly arises out of the Agreement, is done for the purposes of obtaining an expert opinion concerning the activities in question of the Contractor, if the Client is subject to a statutory or professional duty of disclosure, or if the Client is acting on his own behalf in disciplinary, civil or criminal proceedings.
- 7.4 The Contractor shall be entitled to use the figures obtained after processing for statistical or comparative purposes, provided that individual clients cannot be identified from these figures.

Article 8 - Intellectual Property

- 8.1 All rights relating to intellectual products which the Contractor develops or uses in the fulfilment of the Agreement, including recommendations, working methods, model and other contracts, systems, system designs, and software, accrue to the Contractor insofar as these are not already vested in third parties.
- 8.2 Except with the express prior consent of the Contractor, the Client is not permitted to publish and/or make use of the intellectual products or make copies thereof on data carriers, or to reproduce them with or without or otherwise through the involvement of third parties, without prejudice to the provisions of Article 7.3.
- 8.3 The Client is not permitted to make these products available to third parties, other than for the purpose of obtaining an expert opinion concerning the Contractor's work.

Article 9 - Fees

- 9.1 The Client shall pay the Contractor a fee together with the costs incurred, in accordance with the regular rates, calculation methods and procedures of the Contractor.
- 9.2 The Contractor's fee, plus advances and invoices from third parties called in where necessary, shall be charged to the Client on a monthly, quarterly or annual basis or on completion of the work.
- 9.3 The Contractor's fee shall not be dependent on the outcome of the assignment.

Article 10 - Payment

- 10.1 Payment shall be made without any deduction, discount or set-off in the Dutch currency and without suspension due to an alleged or actual failure to perform by the Contractor, by depositing or transferring the invoice amount to the bank account specified on the invoice within 14 days of the invoice date, failing which the Client will be in default.
- 10.2 If the Client is in default, the Contractor shall have the right, without further warning or notice, to charge the client interest at the statutory rate from the due date until the date of full payment, without prejudice to the Contractor's further rights.
- 10.3 All extra costs incurred by the Contractor in connection with the collection of a claim in or out of court, shall be borne by the Client. If the Client is not acting in the course of a business or profession, the Client is obliged to pay extrajudicial collection costs calculated in accordance with the Act on the Standardisation of Extrajudicial Collection Costs (*Wet ter normering buitengerechtelijke incassokosten*) as a percentage of the principal amount and with a minimum rate of € 40.
- 10.4 All costs incurred by Contractor in connection with legal proceedings against the Client shall be borne by the Client, even to the extent that such costs exceed the deemed legal costs, unless the Contractor as the losing party is ordered to pay costs.

- 10.5 The Contractor reserves the right - even during the performance an Agreement - to demand full or partial payment in advance by the Client and/or the provision of security if, in the opinion of the Contractor, this is warranted by the financial position or payment performance of the Client - failing which the Contractor shall be entitled to suspend performance of the Agreement and in which case all amounts that the Client owes the Contractor for any reason shall become immediately due and payable.
- 10.6 In the event that an Agreement is entered into for several clients jointly, these Clients shall be jointly and severally liable for the payment of the invoice amount to the extent that the work has been undertaken for the Clients jointly.

Article 11 - Complaints

- 11.1 A complaint relating to work carried out or the invoice amount must be made known to the Contractor in writing within 30 days of the date on which the documents or information about which the Client has a complaint were sent or within 30 days of discovering the defect, provided the Client can demonstrate that he could not reasonably have discovered the defect earlier, failing which the Client shall forfeit all rights relating to this complaint.
- 11.2 A complaint does not suspend the Client's payment obligation, except insofar as the Contractor has indicated that he considers the complaint to be valid.
- 11.3 In the event of a valid complaint, the Contractor can either choose to adjust the fee charged, rectify or redo the work in question at no cost or not (or no longer) perform all or part of the Agreement in exchange for restitution in proportion of the fee already paid by the Client.

Article 12 - Force majeure

- 12.1 If the Contractor is unable to fulfil his obligations under the Agreement properly or on time due to causes that cannot be attributed to him, including but not limited to interruptions in the normal course of business within his company, these obligations will be suspended until such time as the Contractor is again able to fulfil these obligations in the manner agreed upon.
- 12.2 In the event of a situation as referred to in paragraph one occurring, the Client and the Contractor shall be entitled to terminate the Agreement in writing in whole or in part with immediate effect, but without any entitlement to damages.

Article 13 - Liability

- 13.1 The Contractor has appropriate professional liability insurance. Any liability for damages on the part of the Contractor arising from or in connection with the fulfilment of the Agreement shall always be limited to the amount paid out under the Contractor's professional liability policy in the matter concerned, plus the amount of the deductible (*eigen risico*) which under the policy conditions shall be borne by the insured.
- 13.2 Apart from the cases as referred to in paragraph one, the Contractor's liability shall always be limited to twice the amount of the fee (excluding turnover tax) that was charged for the work in the context of which damage occurred, up to a maximum of €75,000.
- 13.3 The Contractor shall be liable towards the Client for any shortcoming in the fulfilment of the Agreement insofar as the shortcoming consists of failure to undertake the work with the due care and attention that may be expected of him. The Contractor shall not be liable for:
- damage incurred by the Client or third parties which is the result of incorrect or incomplete information provided by the Client to the Contractor or which is the result of some other act or omission on the part of the Client;
 - damage incurred by the Client or third parties which is the result of acts or omissions on the part of agents called in by the Contractor (excluding the Contractor's employees), also where these people work for an organisation affiliated to the Contractor;
 - consequential or indirect damage or loss of profits incurred by the Client or third parties, including but not limited to interruptions in the normal course of business within their company.
- 13.4 The exclusions referred to in the third paragraph concerning the liability of the Contractor do not apply insofar as the damage is caused as a result of deliberate intent or gross negligence on the part of the Contractor.
- 13.5 The Contractor excludes all liability arising from damage caused to the Client in the context of complying with the statutory and professional obligations which the Contractor is required to observe.
- 13.6 A claim for compensation for damages should be submitted to the Contractor no later than within 12 months of the time at which the Client discovered the damage or could reasonably have discovered it, failing which the right to compensation shall lapse.
- 13.7 The Contractor shall at all times be entitled, if and to the extent that it is possible, to remedy the Client's damage..

- 13.8 The Contractor shall not be liable for damage to or loss of documents during transport or delivery by mail, regardless of whether the transport or delivery is made by or on behalf of the Contractor or third parties.
- 13.9 The Client shall indemnify the Contractor against all claims by third parties - including shareholders, directors, supervisory directors and employees of the Client as well as affiliated legal entities and businesses and others involved in the organisation of the Client - arising from or in connection with the work performed by the Contractor for the Client, unless such claims are the result of deliberate intent or gross negligence on the part of the Contractor.
- 13.10 The Client shall indemnify the Contractor against claims by third parties for damage caused by the Client providing incorrect or incomplete information to the Contractor, unless the Client can demonstrate that the damage is not related to a culpable act or omission on his part or is the result of deliberate intent or gross negligence on the part of the Contractor. The foregoing shall not apply if and insofar as the scope of the Agreement involves an audit of the financial statements as referred to in Section 393 of Book 2 of the Dutch Civil Code.

Article 14 - Expiry Period

Unless otherwise stipulated in these General Terms and Conditions, rights of action by the Client for any reason whatsoever towards the Contractor in connection with work carried out by the Contractor shall in any event expire one year from the date on which the Client was made aware or could reasonably be expected to have become aware of the existence of these rights.

Article 15 - Cancellation

- 15.1 The Client and the Contractor may terminate the Agreement at any time. If the Agreement ends before the work has been completed, the provisions of Article 9.1 shall apply.
- 15.2 The other party must be informed of the cancellation in writing.
- 15.3 If and to the extent that the Contractor ends the Agreement by cancellation, the Contractor must inform the Client of the reasons for the cancellation and do everything that the circumstances require in the interests of the Client.

Article 16 - Right of suspension

- 16.1 The Contractor shall be entitled to suspend the fulfilment of all his obligations, including the surrender of documents or other items to the Client or third parties, until such time that all outstanding payable claims against the Client have been met in full.
- 16.2 The provisions of the first paragraph do not apply with respect to items or documents of the Client that have not been subject to processing by the Contractor.

Article 17 - Electronic communication

- 17.1 During the performance of the Agreement the Client and the Contractor may, at the request of the Client, use electronic means to communicate with one another.
- 17.2 The Client and the Contractor shall not be liable towards one another for damage that may be caused to either or both of them as a result of the use of electronic means of communication, including - but not limited to - damage resulting from non-delivery or delayed delivery of electronic communications, interception or manipulation of electronic communications by third parties or software/hardware used for sending, receiving or processing electronic communications, the transmission of viruses and the failure or malfunction of the telecommunications network or other electronic communications equipment, except insofar as the damage is caused by deliberate intent or gross negligence.
- 17.3 Both the Client and the Contractor will do, or refrain from doing, all that may reasonably be expected of them to prevent the aforementioned risks from occurring.
- 17.4 The data extracts from the sender's computer systems will provide conclusive proof of the electronic communication (and its contents) sent by the sender until the recipient furnishes proof to the contrary.

tax advisors
accountants
expat consultants



Article 18 - Choice of applicable law and forum

- 18.1 All Agreements between the Client and the Contractor shall be exclusively governed by Dutch law.
- 18.2 Disputes which fall outside the jurisdiction of the district court (*kantonrechter*) will be brought before the competent court in the town where the Contractor has his place of business.
- 18.3 In contrary to the provisions of the previous paragraph, the Client and the Contractor may choose another method of settling disputes.

Leiderdorp, May 12, 2016