

General conditions of providing tax consulting

1. INTRODUCTORY PROVISIONS

These general conditions provide for basic legal relations and conditions for providing tax consulting and accounting services based on a signed task order contract between the purchaser of services (hereinafter "Originator") and the company H&P Account Tax Consulting, a.s. as the provider of these services (hereinafter "Agent").

To provide tax consulting by a certified person – Agent, several laws are in force and must be abided – the Act No. 523/1992 Coll., about tax consulting and the Chamber of tax advisors of the Czech Republic as amended (hereinafter "The Law"), relevant provisions of Act No. 89/2012 Coll., of the Civil Code (hereinafter "CC"), other law regulations, the task order contract between the Originator and Agent and these general conditions of providing tax consulting (hereinafter "GCTC").

These GCTC are published at www.hpaccount.cz, they make up an attachment to the task order contract. The originator has read these conditions before signing the contract. The agent is authorized to change these commercial conditions ex parte, such changes will come into force the day of their publishing on the website above. The agent informs the originator about a change to the commercial conditions by an e-mail at the latest one month before the publishing of these changed conditions on the website of the agent, the e-mail will be sent to the contact e-mail address of the originator listed in the heading of the task order contract, alternatively it can be sent to a different e-mail address that the originator conveys to the agent. Should the originator not agree with the change of commercial conditions, he has the right to terminate the contract during the notice period which is one month after the originator was informed about the change to the commercial conditions by the agent in the form described above. If the originator does not terminate the task order contract during the notice period, it is believed that he agrees with the change to the commercial conditions and thus is bound by the new commercial conditions.

The contract provisions of the task order contract always take precedence over the provisions of GCTC.

2. KEY TERM DEFINITIONS

For these general conditions, the terms are defined the following way:

2.1. Tax consulting/advising

2.1.1. Tax consulting is understood as providing legal aid and financially economic advice regarding taxes, contributions, fees and other payment methods but also regarding things directly connected to taxes. The part of tax consulting is also negotiating with third persons, especially tax administrators, authorities of social and health insurance in the extent of the contract. In pursuance of tax consulting, the agent is authorized to also manage the originator's accounts, single entry book-keeping, eventually also other bookkeeping connected to taxes.

2.1.2. Tax consulting is further understood as consulting to manage the needed single entry book-keeping and also based on accounting data and documents about drawing up tax reviews that the originator is or will be obliged to make.

2.1.3. Tax consulting takes place in the form of consultations, meetings and conferences of the agent or his representatives with the originator, originator's representatives or the authorized employees and individuals stated in the contract. Tax consulting takes place in the premises of the agent or the originator. In case the need arises or after an agreement, the meeting can take place elsewhere as well.

2.2. Agent

The individual authorized to practice tax consulting is a legal body registered in the list of legal bodies administrated by the Chamber of tax advisors of the Czech Republic, the agent is obliged to provide tax consulting by a certified tax advisor (hereinafter "Agent")

2.3. Originator

Originator is understood as an individual who the services of tax consulting based on the contract concluded with the agent are provided to.

2.4. Contact individual

Contact individuals are understood as those who mediate communications between the originator and the agent. Unless the originator expressly limits the extent of authorization, it stands that every contact individual is authorized to be informed about the process of providing tax consulting services without limitations.

2.5. Taxes

Taxes are understood mainly as taxes according to the tax regulations. These taxes are an income of the state budget or a decrease of income to the state budget. The term "taxes" for the purposes of these general conditions includes especially

taxes, fees, contributions, paid advances, securing the tax, tariffs and fines for breaching the budgetary discipline, the term also includes tax deduction, tax loss or any other way of taxation.

2.6. Social security insurance

Social security insurance is understood as a contribution to the state budget regulated by the laws about insurance for social security and about the contribution to the state policy of employment.

2.7. Public healthcare insurance

Public healthcare insurance is understood as a contribution regulated by the laws about healthcare insurance whose recipients are health insurance companies.

2.8. Appurtenances

Appurtenances are especially understood as penalty, tax raise, costs of tax procedure, interest and fines, set by the corresponding legal regulations.

2.9. Tax administrator

Tax administrators are understood as territorial financial authorities and other executive and state authorities of the Czech Republic but also municipal authorities that are appropriate for managing taxes.

2.10. Social and health insurance authorities

Social and health insurance authorities are understood as bodies whose scope of authority includes collecting and managing social insurance and public healthcare insurance.

2.11. Professional opinion

Professional opinion is understood as a statement made by the agent for the originator about a specific area of tax consulting provided in a form concluded in the contract.

2.12. Power of attorney

Power of attorney is a pass which validates the existence of a representation of the originator by the agent when dealing with a third person, it is issued by the originator.

2.13. Insurance

Insurance is understood as insurance of professional responsibility of the agent for potential harm, eventually other kinds of harm potentially caused by practising tax consulting.

2.14. Harm

Harm is understood as a decrease in the assets of the originator which was caused by or in connection to practising tax consulting within the signed contract and according to the law. Harm is usually not a tax levied ad hoc by the tax administrator.

2.15. Tax reviews

Tax review is understood as the duty of a tax subject to state the size of his tax base to the tax administrator on his own, and apart from a few exceptions, calculate the tax himself

2.16. Processing of a tax review by the agent

Based on the contract with the originator, the agent processes tax reviews listed in the contract. The extent and conditions of processing these reviews are stated in the contract.

2.17. Filing a tax review by the agent

Filing a tax review by the agent is understood as an action of the agent based on a power of attorney that secures the filing of the originator's tax review to the tax administrator, unless the parties agreed otherwise.

2.18. Reward

Reward for the agent is understood as the price for his services concluded in the contract.

2.19. Importance

When deciding the importance or unimportance of an entry all circumstances are taken into consideration, especially the character and amount of entry is considered while also considering the income/turnover/equity or the economic result before taxation. If the sum exceeds 1% of the turnover or income, 2% of equity or 10% of the economic result before taxation, the entry is usually considered important and is judged in accordance with that. What is always considered important is what is specifically concluded in the contract.

2.20. Terms used in legal regulations of other states are for the purposes of the contract judged adequately according to these key term definitions.

3. RIGHTS AND OBLIGATIONS OF THE AGENT

3.1. The agent protects the rights and lawful interests of his originator. He acts honestly and dutifully, he uses all his legal means thoroughly and he does everything that he sees as beneficial according to his belief and the instruction of the originator.

3.2. In an entitled case and if it is urgently necessary and in the interest of the originator and if it is not possible to gain his approval or the originator does not respond in a proportionate time and if it is not expressly forbidden by the originator, the agent can diverge from the instruction of the originator. However, he is always obliged to inform the originator about this action immediately.

3.3. The agent utilizes all his knowledge, experience and abilities to provide services to the originator.

3.4. The agent will refuse to carry out especially those instructions that are against good manners or those that are illegal.

3.5. The agent informs the originator in a concluded time period about all circumstances that he learned about when providing tax consulting and that can have an influence on changing of the originator's instruction.

3.6. When providing tax consulting, the agent can be substituted with another agent. During individual meetings, the agent can be substituted with one of his employees.

3.7. The agent is entitled to keep the original correspondence that he received during his practice of tax consulting. The agent is entitled to keep copies of the originator's used materials.

3.8. Should the circumstances of the case or the traditions of tax consulting require it, the agent is entitled to step in to protect the interests of the originator despite there was no obligation from legal regulations or the contract.

3.9. The agent, his employee or another substitute as well as an individual who lost the authorization to practice tax consulting are all sworn to keep secrecy about all facts they learned about in connection to providing tax consulting. This obligation, even for the purposes of criminal proceedings, is cancelled only by the originator's official statement, but even in this case, the agent or his substitute is obliged to keep secrecy if it is in the interest of the originator.

3.10. The agent can demand confidentiality especially in cases where he cannot be interrogated as a witness if he would break the state required or acknowledged obligation to confidentiality by answering and if he is required to reveal findings that are the product of his own work.

3.11. The agent cannot demand confidentiality if:

- he is required by the law to foil or report the committing of a crime,
- he is deprived of his obligation to confidentiality in accordance with the law or the contract,
- it is in the scope of obligatory cooperation regulated by special laws.

3.12. When providing tax consulting, the agent warns the originator about a clear incorrectness of the originator's instruction which could result in harming the originator's interests. In case the originator insists on carrying out the instruction despite the agent's advice, the agent is not obliged to pay for harm caused by this instruction. A clearly incorrect instruction is also understood as the originator's idleness if he is called upon by the agent to express his potential disagreement with the suggested approach.

3.13. Considering that only a court is entitled to interpret the law with a binding effect, the agent doesn't bear any responsibility for a change in the court's interpretation of the law after providing tax consulting.

3.14. The agent is entitled to withdraw from a concluded contract to provide tax consulting, if the trust between him and the originator is disrupted, if the originator doesn't provide the necessary cooperation or if the originator has not paid the appropriate advance on the reward for providing tax consulting without stating a valid reason. (Section 6, subsection 3 of the Law)

3.15. The agent is obliged to do the following in fifteen days since he informed the originator about his withdrawal from the contract to provide tax consulting:

- carry out any urgent tasks, unless the originator has already adopted other measures ;
- account for the originator's advance on the reward and costs, if the originator had paid it.

3.16. In case the originator hands over data for processing in less than ten days before the date of filing the tax review (including the control report), the date for their processing and filing is delayed by the respective number of days that passed since the deadline for processing. The agent does not bear responsibility for any potential harm caused by this late filing. In case the originator hands over the date for processing in less than five days before the date of filing the tax review (including the control report), the agent does not bear any responsibility for errors because of the insufficient time to process the data carefully.

4. RIGHTS AND OBLIGATIONS OF THE ORIGINATOR

4.1. The originator is entitled to the provision of tax consulting in accordance with the Law, the contract and these general conditions.

4.2. The originator has both the right and obligation to cooperate closely with the Agent who is providing tax consulting..

4.3. The originator cooperates with the agent in every possible way, he especially provides full, well-arranged, clear, truthful and timely information. Information which has or can have an importance regarding fulfilling the contract is provided by the originator even without the agent's request; that is true especially for new or newly ascertained facts that the originator is obliged to inform the agent about without an unnecessary delay. The originator also enables the agent to access all documents that are connected to the originator's business activities that have, or according to the agent can have an influence on the completion of the contracted services.

4.4. The originator is entitled to explanation of procedures that the agent has used, legal and factual actions and to full information on the state of proceedings in which the agent is representing the originator.

4.5. The originator is entitled to know about the range and amount of professional insurance of the agent.

4.6. The originator hands over or makes available all documents and other information that has, had, will have, could have had or could have a connection to the subject of the contract. He does so according to the agent's demands at the latest fifteen days after the start of the contract's legal force or at the latest fifteen days since the day of delivery of the agent's request.

4.7. The originator is responsible for the objectivity, correctness, truthfulness, timeliness and completeness of all documents that he hands over to the agent or makes them available for him. The agent is not responsible for the documents in this way. The originator is responsible for the objectivity, truthfulness, timeliness and completeness of all information he shares with the agent.

4.8. The originator removes deficiencies, errors and incorrectness that he was informed about by the agent without unnecessary delay.

4.9. The originator hands over or makes the data according to the article 4.6. available for the whole duration of the contracted obligation, without delay.

4.10. The originator informs the agent without unnecessary delay about all known risks tied to the contract. On the agent's demand, the originator provides this information and instructions in written form.

4.11. The originator shares information which allows the agent to judge the risks the agent undergoes, when providing his services. The originator takes into notice that if he provides misleading, incomplete or untruthful information, it can lead to the decrease of the agent's duty to compensate the originator, in accordance with section 2918 of the law 89/2012 Coll., of the civil code (hereinafter the "CC").

4.12. The originator is obliged to always make every effort to prevent harm being done to him or the agent; no obligations of the agent divest the originator of this duty.

4.13. The originator informs the agent without delay about all actions taken without the agent's notice in matters that are the subject of the contract, he especially informs him about the initiation, duration and result of a control, the process to remove doubts, the filing of a tax review or about actions taken in connection to a proceeding in matters of social security insurance or public healthcare insurance that are a subject of the contract. Breach of this duty can result in a comparative decrease of the agent's obligation to pay for harm done, in accordance with section 2918 of the new civil code.

4.14. In case the tax administrator or another subject questions the legal opinions of the agent from a professional point of view according to the article 2. 11, the originator is obliged to allow the agent to explain and defend his opinion under the conditions laid down by this contract, even if the contractual link according to the contract already expired. In case the originator does not uphold this duty, the agent is not responsible for harm any more.

4.15. The originator is obliged to keep secrecy about all facts, information, advice, instructions and recommendations that he learned in connection to fulfilling the contract and the services of tax consulting even after the contract expires. The originator especially must not share the content of advice given by the agent, unless the agent has allowed the originator to do so. The obligation of confidentiality of the originator does not include cases of law imposed duty to foil and report a crime. The obligation also does not include cases of compulsory cooperation of the originator with legal entities active in criminal proceedings.

4.16. The originator releases the agent from the obligation of confidentiality about tax issues revealed during the fulfilling of the contract, in relation to the members of the Chamber of tax advisors of the Czech Republic or other persons that could contribute to proper and complete fulfilment of the contractual link and therefore contribute to the defence of the originator's lawful interests

- In cases where the agent compensates the originator for harm done from his insurance at the respective insurance company
- In case of a proceeding to recover claims of the agent towards the originator
- In case that the originator demands the agent to provide a testimony in another proceeding
- In case of a litigation between the originator and the agent about who is at fault or about paying for services provided by the agent
- In case of a prosecution of the agent initiated on the basis of a criminal complaint or a testimony provided by the originator or his substitute.
- In relation to a subject settling a dispute between the originator and the agent.

Consultations and sharing such information with third persons by the agent must always be done with a maximum regard to the protected interests of the originator, to his privacy and with respect to business and other secrets of the originator's activities.

5. IDENTIFICATION OF THE ORIGINATOR

5.1. The originator is obliged to undergo identification according to special regulations. For this purpose, he presents the respective documents to the agent and he also hands in copies of these documents to him or enables the agent to make these copies himself. The originator cooperates with the agent to the extent of carrying out his duties according the Act No. 253/2008 Coll., about some measures against the legalization of revenue from criminal activities and terrorism funding, as amended (hereinafter as the "AML Act"). The originator's cooperation is especially required during a tax control of the originator in the sense of section 9 of the AML Act.

5.2. For the purposes of the AML Act, the agent creates copies or statements of the documents presented by the originator and he also processes the information for the purposes of this law.

5.3. When the obligation between the originator and the agent is created, the agent identifies every individual representing the originator if he is a legal entity. The agent carries out this identification with the individual who is being identified physically present, unless both parties agreed otherwise.

5.4. When the obligation is created, the agent identifies every individual who is listed as a contact person by the originator with this individual being physically present, unless concluded otherwise.

5.5. The originator informs the agent about sources of income that the originator didn't acquire by proper business activity. The originator, if a legal entity, informs the agent about his real owner.

5.6. When identifying the originator, who is:

a) an individual, the agent writes down the identification entries and verifies their accordance with an identification card of the originator, if these entries are in the identification card. The agent also writes the type and number of the identification card, the state, alternatively the authority which issued this card and the validity period. The agent also verifies the resemblance of the originator with his picture in the identification card. The agent does all this with the individual physically present.

b) a legal entity, the agent writes down the identification entries and he verifies that they are in accordance with the document verifying the existence of the legal entity and to the extent according to the section a) he identifies the individual who represents the legal entity in the respective matter while the individual is physically present; if another legal entity is the statutory authority, a member of this authority or a controlling entity of the entity that is being identified, the agent marks down the second entity's entries as well.

c) represented on the basis of a power of attorney, the agent carries out the identification of the attorney according to the section a) with the attorney being physically present. The attorney also presents the respective document giving him the power of attorney.

5.7. The originator informs the agent about all changes that could influence proper identification of the originator over the duration of the obligation, especially if the change would influence the validity and completeness of the identification entries.

5.8. The agent is entitled to withdraw from the concluded contract in case

- The originator refuses to undergo an identification or he refuses to provide the power of attorney or if it is not possible to carry out the identification for any other reason.
- The originator does not provide required cooperation for the purposes of the AML Law or if it is not possible to abide by this law for any other reason or
- If the agent has justified doubts about the truthfulness of the information provided by the originator or about the validity of provided documents.

6. COMPENSATION

6.1. The agent compensates the originator if the harm was caused by activities connected to tax consulting by the agent himself, his substitute or his employee. The agent is not obliged to compensate the originator if he proves that he could not prevent the harm not even with all his effort that can be demanded from him.

6.2. The agent is not obliged to compensate the originator, if the harm was caused by the originator himself by breaching the contract or these GCTC.

6.3. If there is a justified fear that providing tax consulting could cause harm, both parties are obliged to take measures to prevent or reduce the harm. The originator informs the agent immediately about this fact and he provides the agent with all the cooperation necessary, especially all documents and information related to this fact.

6.4. If there is a chance of causing harm or if the harm was already caused, the originator is obliged to allow the agent to undertake all permissible means of redress and to seek any permissible legal protection, potentially even help with these means of redress effectively. If the originator does not allow the agent to do so, the agent is not obliged to compensate the originator for the harm caused.

6.5. The compensation of the originator by the agent is due 30 days since the ending of the winding up period of the insurance event by the insurance company. If the insurance company refuses to fulfil its compensation obligation and if the court decides about who should pay the compensation, the compensation is due 30 days after the judgement about compensation comes into legal force. If the insurance company does not fulfil its obligation because of other reasons then it is proceeded according to the respective legal regulations.

6.6. The agent is not obliged to compensate the originator, if the harm was caused by the originator's activities or by the lack of cooperation that the originator is obliged to provide, especially in the case of administrative or legal proceedings or if the harm was caused by the originator's independent approach in these matters without consulting the agent first.

6.7. The originator is responsible for harm caused by his secrecy, incorrectness or incompleteness concerning documents and information. The originator is also responsible for the harm caused, if he hands over documents with a delay.

6.8. The agent does not compensate the originator for harm caused by undertaking a risk he identified in advance, including the cases where he informed the originator about a risk derived from a different interpretation of the legal regulations by financial authorities or the court, but the originator still decided to proceed. This decision of the originator can be in the form of an explicit approval or even in the form of idleness if he is provably asked by the agent to express his potential disapproval with the suggested approach.

6.9. The agent does not guarantee the lawfulness of the originator's activities.

6.10. The agent does not bear responsibility or guarantee for the timeliness and correctness of the taxes and contributions paid by the originator.

7. POWER OF ATTORNEY

7.1. The power of attorney has to include a clear identification of the originator and the agent (authorizer and warrantee). The power of the attorney has to also include a definition of the object and extent of the power of attorney, the date of its issuing, effectuality, in some cases the validity period and a signature.

7.2. Legal verification of the identity of the originator and the agent is required for the power of attorney only if the obligation is derived from a legal regulation or if the agent requests it.

7.3. The representation on the basis of the power attorney does not forbid the originator to deal with the tax administrator directly with the article 4.13 in mind.

7.4. The empowerment ceases to exist,

- If it is withdrawn by the originator,
- If it is withdrawn by the agent,
- after a concluded period of time, if the contract was fixed-term,
- by accomplishing the purpose the contract was limited to,
- if the originator dies or ceases to exist without a legal successor.

7.5. In case the originator withdraws from the empowerment, he is obliged to inform the agent without unnecessary delay. The same goes for the agent if he withdraws from the empowerment.

8. BOOK-KEEPING

8.1. The agent is entitled to make entries about the practice of tax consulting.

8.2. Book-keeping is understood as managing documents, records and data files that the agent keeps for his purposes.

8.3. The agent manages book-keeping with professional care.

8.4. The originator takes notice of and agrees with the collection and processing of data about him by the agent in connection to the practice of tax consulting and with performing duties according to special legal regulations (eg. AML Act). The originator's cancellation of consent with the collection and processing of data is a reason for the agent to withdraw from the contract.

9. DELIVERY

9.1. Correspondence between the originator and the agent is delivered in person, by postal and delivery services or by using transfer techniques, the correspondence is delivered according to the terms concluded in the contract.

9.2. Unless it is stated otherwise in the contract, it is believed that a shipment delivered by a postal service arrived on the third day after sending (section 573 of the Civil code).

9.3. Shipments are delivered to the address listed in the contract.

10. REWARD

10.1. The agent is entitled to a reward for provided services and also to a compensation for expenses. The agent's reward is concluded in the contract in the form of hourly rates, flat-rate rewards, administrative flat rates, fixed prices or a combination of the mentioned methods. The contract can also set another form of reward. If the reward's amount is not concluded in the contract or its attachment (price list), the provisions of the lawyer's tariff shall be used adequately.

10.2. If a flat-rate reward is concluded, then it includes common administrative costs of the agent, especially wages for administrative work, the usage of IT equipment, software, information databases, insurance and so on. In accordance with the contract's conditions, the flat-rate reward can include full or limited extent of the agent's services for the concluded term.

10.3. Administrative flat-rate can be concluded especially in case of a long-term representation of the originator in tax, administrative or judicial proceedings with the state authorities. The administrative flat-rate is concluded beside the price for the agent's services and it covers especially administrative costs of the agent connected to taking over, keeping records of and maintaining the empowerment, delivering correspondence to the originator as well as other minor administrative costs.

10.4. The flat-rate reward and the administrative flat-rate do not include compensation of administrative or other fees, travel costs when travelling outside the town where the agent has his premises and the costs for accommodation of the

agent's employees necessary for providing services to the agent. The flat-rate reward and the administrative flat-rate also do not include requested sub-deliveries, expert's opinions, translation and interpretation, text transcriptions supplied by the originator, payments for the verification of documents and for notary's rewards. The flat-rate reward and the administrative flat-rate also do not include administrative costs paid above and beyond the agent's ordinary services, such as fees to the links in a bigger extent, requested uncommon costs for copying documents and for consumable supplies. For the purposes of this contract, the price of travel costs is set (after subtracting the squandered time, food allowance and the prices of prospective accommodation) to 10 CZK for each kilometre travelled with an automobile, the price for creating a photocopy to 2 CZK for each copied page of the document and the price for one printed page of a document to 2 CZK.

10.5. Value added tax is not part of the reward concluded or set according to articles 10.1 up to 10.4; if the agent is obliged to pay the value added tax, the tax will be added to the reward.

10.6. The originator is obliged to pay the agent an appropriate advance for the reward and costs, the concluded reward and prospectively other compensations if he agreed to pay them, in concluded terms. The agent is entitled to demand an appropriate bail from the originator for the reward for the agent's services and for the agent's costs (mostly two months worth of reward and costs). The originator agrees to pay this bail, even repeatedly after a substantial part of the bail is added against the receivables of the agent towards the originator.

10.7. The concluded sum of these prices and fees in this article can be changed by the agent each year according to the reached consumer price index and the costs of living in the previous twelve months. The decisive entry for the change of prices and fees is the yearly inflation in per cents expressed by the increase of the average consumer price index (CPI – Consumer price index) in the previous year to the average of the said year's previous one listed in the statistics of the ČSÚ. The originator is informed about the change of prices and fees by a registered letter. The basis for the change is the height of prices and fees that has been last concluded in accordance with the contract, which is also understood as prices and fees adjusted according to the consumer price and living costs index for the previous year's twelve months. The adjustment of prices and fees listed above is as a way of price and fees assessment for the next term in accordance with section 2 article 2 of the Act no. 526/1990 Coll., about prices, as amended. The height of prices and fees is always adjusted from 1st January and it is going to be projected from the second quarter of the said year with the supplement of the difference caused by the influence of the not projected adjustment of prices and fees by the inflation index in the first quarter. The agent is entitled not to adjust the height of prices and fees according to the inflation index after considering all circumstances.

10.8. If the originator does not agree with the change of prices and fees, the agent can withdraw from the contract in a notice period of one month which begins from the first day of the month following the delivery of the contract termination.

10.9. After withdrawing from the contract, the agent is entitled to account settling in accordance with the concluded prices. The day after this final statement is delivered to the originator all receivables become due.

10.10. The agent is entitled to unilaterally raise the concluded reward stated in the contract even by 100 % in case:

- a) Services are provided outside office hours, that is from 16 PM till 8 AM,
- b) The services are provided in another state's territory or they are provided by using a foreign language (except PL),
- c) The document that is the subject of the provided services was created in 24 hours as requested by the originator,

In case the originator delivers the necessary documents and provides the required information in less than five days before the legal date for filing tax reviews or statements, corrects them and gives evidence of it during the period for filing an appeal or another action, or after this period, or if he requests to make changes, the agent is entitled to charge a margin of 100%.

10.11. The concluded reward can be changed by the agent after the originator agreed in case the agent is handling matters of the originator that are not common with regards to the amount of money, using foreign law, and others.

10.12. The concluded hourly rate reward stated in the contract will be charged with a quarter of an hour distinguishing bar (specification), where every initiated quarter of an hour of consulting is distinguished, while the hourly rate is also concerning every unit of time squandered in relation to providing the service. The time spent on providing services also includes time during which the individual participating in providing the services to the originator took part in handling matters for the originator or the time in which the individual could not handle other matters due to the originator's matters (for example the time spent travelling or waiting). Mutual cooperation between the employees of the agent in relation to providing services in different areas is an important element in providing high-quality services. In regards to what has been stated above, a certain amount of time spent on providing services (at maximum 20% of the total time spent on providing a single service) comes down to activities such as internal consulting about solving questions connected to the service and a mutual control of outputs. The originator agrees to be charged the consultations and output controls stated above.

10.13. The reward for providing services is due monthly on the basis of an agent's invoice, and usually that is at the latest on the fifteenth day following every calendar month, unless there is another due date of payment stated in the contract. For every overdue day the agent is entitled to charge the originator an interest of 0,1% of the outstanding amount. The interest is due in ten days since the day the invoice was issued. The invoice is issued in Czech currency, in case of the invoice being paid in another currency all bank fees connected to the payment go to the detriment of the originator and will be re-accounted for him. The invoice must include – except for standard requirements derived from legal regulations – a time specification of services (the number of hours, respectively quarters of an hour) provided to the originator in a time schedule of the said calendar month. In accordance with the provisions of the section 26 subsection 3 of the Act No. 235/2004 Coll., about value-added tax as amended, the originator agrees with the invoice being sent electronically in the PDF format. Both parties agree that the limitation period according to the provisions of the section 360 of the Act No. 89/2012 Coll., of the Civil code is 60 months.

11. SANCTIONS

11.1. The contractual arrangements between the originator and the agent can also include contractual sanctions. The sanction amount must not be conflicting with legal regulations and the accepted principles of morality.

11.2. If the originator is overdue with paying the reward to the agent, the agent has, beside the right to interest stated by the respective legal regulation, the right to apply concluded contractual sanctions.

11.3. A sanction concluded according to the article 11 is not conflicting with the right of both parties to be compensated for harm, unless it has been stated otherwise.

12. CREATION AND TERMINATION OF THE OBLIGATION

12.1. The obligation between the agent and the originator is created by signing a contract to provide tax consulting.

12.2. Obligation created for a specified amount of time is terminated after this amount of time passes.

12.3. The obligation is terminated by fulfilling the subject of the contract.

12.4. Obligation created for an unspecified amount of time can be terminated by either party. The legal force of the termination is according to the provisions of the contract. The termination comes into force on the day of the delivery, unless stated otherwise.

12.5. The obligation can also be terminated at any time by reaching an agreement.

12.6. The obligation also ceases to exist under the conditions stated in 3.14., 5.8. or 8.4. of the GCTC. Withdrawal from the contract comes into force on the day of the delivery to the originator.

12.7. If the originator is a legal body, the obligation is also terminated if the legal body ceases to exist without a legal successor. The obligation is terminated by the death of the originator.

12.8. The obligation ceases to exist if the agent lost the right to practise tax consulting according to the provisions of section 4, subsection 1 of the Law. The agent is obliged to inform the originator without delay.

12.9. After the termination of the contract, all provisions of these GCTC and the contract stay valid if it is clear from their content that they can encompass matters that occur after terminating the obligation, if these matters come from the contract and GCTC. This includes especially the question of responsibility of the agent, secrecy, compensations and mutual information.

I declare that I familiarised myself with this text of General conditions of providing tax consulting and that I agree with them unreservedly.

Date and signature: