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## **FINANCIAL STATEMENT**

as of December 31, 2012

**DEBRA International**

**LeitnerLeitner**  
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**Steuerberatungsgesellschaft mbH**  
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# **Financial Statements**

<b>Assets</b>	2012-12-31 EUR	2011-12-31 EUR	<b>Liabilities and Owner's Equity</b>	2012-12-31 EUR	2011-12-31 EUR
<b>A. Current Assets</b>			<b>A. Capital and Reserves</b>		
I. Receivables and other Assets			I. Balance Sheet Profit	<b>101.445,07</b>	<b>62.931,04</b>
1. Other receivables and assets	0,00	100,00	<i>thereof profit carried forward from the previous years</i>	62.931,04	19.686,86
II. Bank deposits	103.095,07	64.403,04	<b>B. Accruals</b>	<b>1.650,00</b>	<b>1.572,00</b>
<b>Total assets</b>	<b>103.095,07</b>	<b>64.503,04</b>	1. Other accruals	<b>103.095,07</b>	<b>64.503,04</b>
			<b>Total Liabilities and Owner's Equity</b>		

	2012 EUR	2011 EUR
<b>1. Revenues</b>		
a) Membership fees		
4350 Membership fees (npo)	40.883,03	53.823,51
4351 Membership fees (npo) Distinction	0,00	100,00
4352 Research co-funding (Debra USA)	<u>23.036,35</u>	<u>3.750,00</u>
	63.919,38	57.673,51
b) Other revenues		
4360 Donations	54.556,31	0,00
4370 CAP Sponsoring	<u>7.500,00</u>	<u>0,00</u>
	62.056,31	0,00
	<b>125.975,69</b>	<b>57.673,51</b>
<b>2. Other income</b>		
a) income from the reversal of accruals		
4700 Dissolution other accruals	<b>370,50</b>	<b>132,00</b>
<b>3. Other expenses</b>		
a) other		
Research		
6901 Research co-funding	30.000,00	0,00
7710 Small grants	<u>14.587,00</u>	<u>5.982,60</u>
	44.587,00	5.982,60
Distribution costs		
7382 Advertising	139,02	0,00
7410 Best Practice Guidelines	6.326,33	0,00
7420 EB Without Borders	10.000,00	0,00
7430 EB Clinet	<u>6.218,00</u>	<u>0,00</u>
	22.683,35	0,00
Legal and Consulting costs		
7750 Legal and consulting costs	6.232,11	1.452,00
7755 Bookkeeping costs	<u>0,00</u>	<u>2.619,00</u>
	6.232,11	4.071,00
Internet and Website expenses		
7381 Internet	2.858,40	32,40
Travel, Mileage		
7340 Travel costs	1.575,00	3.815,00
commission costs		
7230 Provisions, fees 3rd parties	1.282,00	0,00
Membership fees		
7350 Membership fee	425,00	0,00
Transaction costs		
7790 Financial transaction fees	380,51	317,94
other operating expense		
7180 Other fees & costs	<u>8.020,00</u>	<u>425,00</u>
	<b>88.043,37</b>	<b>14.643,94</b>

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	2012 EUR	2011 EUR
<b>4. Result of association activities</b>	<b>38.302,82</b>	<b>43.161,57</b>
<b>5. Other interest and similar income</b>		
8100 Interest proceeds from bank credits	<b>281,63</b>	<b>110,15</b>
<b>6. Financial result</b>	<b>281,63</b>	<b>110,15</b>
<b>7. Profit from association activities</b>	<b>38.584,45</b>	<b>43.271,72</b>
<b>8. Taxes on income and revenue</b>		
8540 Capital gain tax	<b>70,42</b>	<b>27,54</b>
<b>9. Net income</b>	<b>38.514,03</b>	<b>43.244,18</b>
<b>10. Profit carried forward from the previous years</b>		
9992 Profit carried forward	<b>62.931,04</b>	<b>19.686,86</b>
<b>11. Balance sheet profit</b>	<b><u>101.445,07</u></b>	<b><u>62.931,04</u></b>

# General Terms and Conditions of LeitnerLeitner

**The General Terms and Conditions of LeitnerLeitner shall only represent a translation of the German version („Allgemeine Auftragsbedingungen von LeitnerLeitner (AAB)“). In case of dis-sentation the German version prevails.**

## SECTION I

### 1. Definitions and Scope

(1) „LeitnerLeitner“ shall mean any company, firm or legal entity of the LeitnerLeitner group. Member of the LeitnerLeitner group is any company, firm or legal entity including their legal successors being directly or indirectly connected to LeitnerLeitner GmbH Wirtschaftsprüfer und Steuerberater in the meaning of § 228 Abs 3 of the Commercial Code (UGB).

(2) „Client“ shall mean the respective client of LeitnerLeitner.

(3) This General Terms and Conditions of LeitnerLeitner are divided into three sections. Section I includes general provisions concerning all services of LeitnerLeitner. Section II deals with contracts for rendering services in the field of bookkeeping, payroll accounting, administration and assessment of payroll related taxes and contributions, while Section III covers contracts for audits for annual accounts.

### 2. General Provisions

(1) Offers of LeitnerLeitner shall be valid for one month. Quotations of fees are made, unless otherwise stated, for information only and without responsibility. Quotation documents and any enclosures thereto shall remain the exclusive property of LeitnerLeitner. LeitnerLeitner shall have the right to claim back these quotation documents and any enclosures thereto in case the mandate is not awarded. Third parties shall not be informed of the offer submitted without the prior consent of LeitnerLeitner.

(2) These General Terms and Conditions shall apply to any additional annex to the contract, to any subsequent and future contract. Additional mandates may also be awarded orally. Such mandates shall only become binding for LeitnerLeitner if the acceptance is confirmed in writing by LeitnerLeitner.

(3) LeitnerLeitner is obliged to exercise their services in accordance with the principles of due professional care and conduct. Pursuant to Section 88 Paragraph 6 of the Act on Professions in the Field of Public Accounting (WTBG) LeitnerLeitner is obliged to exercise their services according to the applicable laws and has the right to pursue all rights of the client.

(4) LeitnerLeitner has the right to engage suitable staff for the execution of its services.

(5) LeitnerLeitner shall have the right to use third parties for the execution of their services. This also applies for services which may not be executed by LeitnerLeitner themselves, for example legal services. Unless otherwise agreed, LeitnerLeitner may choose third parties on their own discretion and without prior consent of the client. In such cases the General Terms and Conditions also apply for such services, unless law provides otherwise.

(6) Foreign law shall only be taken into account by LeitnerLeitner, if this has been explicitly agreed upon in writing.

(7) Any information, such as statements, reports and advices by LeitnerLeitner and their staff are only binding if they were provided in writing. Therefore LeitnerLeitner shall not be held liable for any oral information, unless this information was confirmed in writing. In writing shall only mean information which was signed by representative authorities of LeitnerLeitner. Electronic(al) information, e.g. information provided via email, is not binding.

(8) Any document or notice electronically submitted to authorities, such as tax and social security authorities are not to be regarded as being signed by LeitnerLeitner or their representatives, respectively.

(9) In case the client is no entrepreneur in the sense of Section 1 of the Austrian Consumers Act (KSchG), the General Terms and Conditions apply, unless mandatory rules provide otherwise.

### 3. Scope and Execution of Contract

Should the legal situation change subsequent to delivering a final professional statement, LeitnerLeitner shall not be obliged to inform the client of changes or of the consequences thereof. This shall also apply to the completed parts of a contract.

### 4. Disclosure Obligations; Declaration of Completeness

(1) Client shall make sure that all documents required for the execution of the contract will be placed in good time and without special request at the disposal of LeitnerLeitner and that LeitnerLeitner will be informed of all events and circumstances which may be of significance for the execution of the contract. This shall also apply to documents, events and circumstances which become known only after LeitnerLeitner has commenced its work.

(2) LeitnerLeitner is entitled to consider all information provided and documents submitted as correct and complete and to use the mentioned information and documents as a basis for the service provision. Without separate written mandate LeitnerLeitner shall not be obliged to establish the completeness and incorrectness. In the context of audits, expert opinions and expert services client shall confirm to LeitnerLeitner in writing that all documents submitted, all information provided and explanations given are complete. This statement may be made on the forms specifically designed for this purpose.

(3) Client shall inform LeitnerLeitner about all circumstances which might have an influence on the execution of the mandate immediately upon knowledge.

(4) Furthermore client shall inform LeitnerLeitner, whether client has mandated other tax or auditing professionals and is as the case may be obliged to proof that the mandate is cancelled.

## 5. Maintenance of Independence

(1) Client shall be obliged to take all measures to make sure that the independence of employees of LeitnerLeitner will be maintained and shall refrain from jeopardizing their independence in any way. In particular, this shall apply to offers of employment and to offers to accept contracts on one's own account. The hiring of employees of LeitnerLeitner by the client or an associated company during and within one year after termination of the mandate shall only be allowed upon written consent of LeitnerLeitner. In the case of contravention the client shall be obliged to pay LeitnerLeitner the amount of the annual salary of the employee taken over.

(2) The client consents that their personal details, meaning their name and the type and scope of the services, including the performance period, agreed between LeitnerLeitner and the client (both audit and non-audit services), shall be handled within the information network (network), to which LeitnerLeitner belongs, and for this purpose transferred to the other members of the information network (network) including abroad (a list of all recipients of communications shall be sent to the client at their request by LeitnerLeitner) for the purpose of examination of the existence of grounds of bias or grounds for exclusion within the meaning of Sections 271 et seq. of the Company Code (UGB). For this purpose the client expressly releases LeitnerLeitner in accordance with the Data Protection Act and in accordance with Section 91 Subsection 4 Clause 2 of the Auditing, Tax Advising and Related Professions Act (WTBG) from their obligation to maintain secrecy. Moreover, the client acknowledges in this regard that in states which are not EU members a lower level of data protection than in the EU may prevail. The client can revoke this consent at any time in writing to LeitnerLeitner.

## 6. Reporting and Performance Periods

(1) In the absence of an agreement to the contrary, a written report shall be drawn up in the case of expert opinions.

(2) If LeitnerLeitner delivers a written statement on the results of their activities, LeitnerLeitner shall neither be held liable for any oral explanation of these results nor for explanations and information provided by employees which were not confirmed in writing.

(3) Deadlines of completion are subject to confirmation by LeitnerLeitner. The legal consequences of delays in completion shall solely be governed by the provisions laid down in this paragraph. The statement of deadlines shall not lead to the conclusion of a fixed-date contract. In case of force majeure including delays by sub-contractors LeitnerLeitner shall be entitled to extend completion deadlines by a reasonable period of time. In case completion deadlines are exceeded by two months client shall only have the right to terminate the mandate after expiry of an additional period of grace of at least 14 days following the two month period. Any other rights or claims by client, including claims for any damages whatsoever, are expressly excluded.

## 7. Intellectual Property of LeitnerLeitner

(1) Client shall be obliged to ensure that reports, expert opinions, organizational plans, drafts, drawings, calculations and the like, issued by LeitnerLeitner, will be used only for the purpose specified in the contract (e.g. pursuant to Section 44 Paragraph. 3 Austrian Income Tax Act 1988). Furthermore, professional statements of LeitnerLeitner may be passed on to a third party for use only with the written consent of

LeitnerLeitner. In doing so, LeitnerLeitner shall not become liable vis-à-vis a third party.

(2) The use of professional statements of LeitnerLeitner for promotional purposes shall not be permitted; a violation of this provision shall give LeitnerLeitner the right to terminate without notice to the client all contracts which are still to be executed and to claim for damages.

(3) LeitnerLeitner shall retain the copyright on their work. Permission to use the work shall be subject to the written consent of LeitnerLeitner.

## 8. Correction of Errors

(1) LeitnerLeitner shall have the right and shall be obliged to correct all errors and inaccuracies in professional statements which subsequently come to light and shall be obliged to inform the client thereof without delay. LeitnerLeitner shall also have the right to inform a third party acquainted with the original statement of the change. Changes in facts or law do not constitute such an error or inaccuracy.

(2) Client shall have the right to have all errors corrected free of charge, if LeitnerLeitner can be held responsible for them; this right shall expire six months after completion of the services rendered by LeitnerLeitner and/or – in cases a written statement has not been delivered – six months after LeitnerLeitner has completed the work that gives cause to complaint.

(3) If LeitnerLeitner fails to correct errors which have come to light, client shall have the right to demand a reduction in price. The extent to which additional claims for damages can be asserted is stipulated under Point 9.

## 9. Liability

(1) LeitnerLeitner shall only be liable for violating intentionally or by gross negligence the contractual duties and obligations entered into.

(2) Liability of LeitnerLeitner for damages is limited to the provided cover of their liability insurance, however the minimum coverage set forth in Section 11 WTBG is applicable. At present the minimum amount of cover is EUR 72.673,--.

(3) The amount of cover (Point 9 Paragraph 2) is provided per claim relating to one wrongful act. In the case of more than one claimant the amount of cover shall not exceed the amount stated in Point 9 Paragraph 2.

(4) Should Section 275 UGB be applicable to the services rendered, the liability provisions pursuant to Section 275 UGB shall apply instead of the foregoing paragraphs, even in cases where several persons have participated in the execution of the contract or where several activities requiring compensation have taken place, irrespective of whether other participants have acted intentionally or by gross negligence.

(5) LeitnerLeitner is only liable for damages of the client but not for damages of third persons. Client is obliged to inform any third persons receiving services from LeitnerLeitner via the client about this limitation.

(6) A claim for compensation for damages may only be asserted within six months after those entitled to assert a claim have gained knowledge of the damage, but at the latest three years after occurrence of the (prime) damage, unless other statutory provisions stipulate shorter limitation periods.



(7) If activities are carried out by a third party, e.g. a data processing company and the client is informed thereof, any warranty claims and claims for compensation for damages which arise against the third party shall be passed on to the client in ultimate discharge of any claims for compensation for damages according to law and in accordance with the conditions of the third party. LeitnerLeitner shall only be liable for negligence in choosing the third party.

(8) LeitnerLeitner and their staff shall not be liable for damages caused by transmission errors, by loss or modification of data. The electronic transfer shall be at the exclusive risk of the client. The client shall be aware that in case of transfer of information via the Internet, secrecy of the information transmitted is not secured. LeitnerLeitner shall therefore not be liable for a supply of information to a person other than the intended recipient caused by the way of transfer. Client shall completely indemnify LeitnerLeitner on this account. Modifications and additions to documents transferred by LeitnerLeitner shall be subject to explicit acceptance.

(9) The receipt and forwarding of information to LeitnerLeitner and to their staff are not always secured if received by telephone, particularly if received by automatic answering machine systems, by fax, by email and other electronic communication mediums. Client shall not assume any liability for the receipt and forwarding of such information. In particular this shall apply to the transfer of notifications and other information on time limits. Important and time-limit-linked information therefore must be supplied to LeitnerLeitner by mail or courier. The handing over of documents to employees outside of office premises of LeitnerLeitner shall not be deemed to be a transfer by delivery.

## 10. Secrecy, Data Protection

(1) According to Section 91 WTBG LeitnerLeitner shall be obliged to maintain secrecy in all matters that become known to LeitnerLeitner in connection with their work for the client, unless the client releases LeitnerLeitner from this duty or LeitnerLeitner is bound by law to deliver a statement.

(2) LeitnerLeitner shall be permitted to hand on reports, expert opinions and other written statements pertaining to the results of their services to third parties only with the permission of the client, unless LeitnerLeitner is required by law to do so.

(3) LeitnerLeitner is authorized to process entrusted personal data within the framework of the purpose of the contract or to have them processed by a third party. LeitnerLeitner shall guarantee that Data Protection Act secrecy will be maintained. The material (data carrier, data, control numbers, analyses and programs) made available to LeitnerLeitner as well as all results obtained from the work provided shall be returned to the client, unless client has requested in writing that the material and/or results be transferred to a third party. LeitnerLeitner shall be obliged to take measures to ensure that the client can meet his legal obligation to provide information. The instructions of the client required for this purpose shall be given in writing to LeitnerLeitner. Unless a fee has been negotiated for providing information, the actual efforts undertaken shall be charged to the client. Client shall meet his obligation to provide information to those concerned and/or to register in the data processing register, unless otherwise agreed upon explicitly and in writing.

## 11. Termination

(1) Unless otherwise agreed upon in writing or stipulated by force of law, either contractual partner shall have the right to terminate the contract at any time with immediate effect. The fee shall be calculated according to Point 13.

(2) However, a continuing agreement (even with a flat fee) – always to be presumed in case of doubt – may, without good reason, only be terminated at the end of the month by observing a period of notice of three months, unless otherwise agreed upon in writing.

(3) A termination of a continuing agreement for good reason with immediate effect is valid, if a continuation of the contract becomes unreasonable.

(4) Circumstances which represent a good reason on the part of LeitnerLeitner would in particular be: False or incomplete information by the client significant for the execution of the contract; material breach of the contract by the client (e.g. default in payment).

(5) Except for cases listed in Paragraph 7, in case of termination of a continuing agreement only those tasks shall be part of the list of jobs to be completed and finished that can be completed fully or to the largest part within the period of notice, with financial statements and annual income tax returns being deemed to be subject to successful completion within two months calculated from the balance sheet date. In this case the above mentioned jobs actually have to be completed within a reasonable period of time, if all documents and records required are provided without delay and if no good reason is cited.

(6) In case of a termination according to Paragraph 2 the client shall be informed in writing within one month which assignments are considered to be part of the jobs to be completed on termination.

(7) Should it happen that in case of a continuing agreement – for whatever reason – more than two similar jobs which are usually completed only once a year (e.g. financial statements or annual tax returns etc.) are to be completed, any such jobs exceeding this number shall only be completed with the explicit consent of the client. If necessary, the client shall be informed of this explicitly in the statement pursuant to Paragraph 6.

## 12. Default in Acceptance and Failure to Cooperate by Client

If client defaults on acceptance of the services rendered by LeitnerLeitner or fails to carry out a task incumbent on it, LeitnerLeitner shall have the right to terminate the contract without prior notice. LeitnerLeitner's fees shall be calculated according to Point 13. Default in acceptance or failure to cooperate on the part of the client shall also justify a claim for compensation made by LeitnerLeitner for the extra time and labour hereby expended as well as for the damage caused, if LeitnerLeitner does not invoke the right to terminate the contract.

## 13. Entitlement to Fee

(1) If the contract fails to be executed (e.g. due to termination), LeitnerLeitner shall be entitled to the negotiated fee, provided LeitnerLeitner was prepared to render the services and was prevented from so doing by circumstances caused by the client (Section 1168 of the Civil Code (ABGB)); in this case LeitnerLeitner is not obliged to deduct the amounts already obtained or could have obtained through alternative

use of their own professional services or those of their staff.

(2) If the contract fails to be executed due to circumstances which represent a good reason on the part of LeitnerLeitner, LeitnerLeitner shall only be entitled to the proportion of their fees corresponding to the services rendered up to this point of time.

(3) If the contract fails to be executed due to circumstances which do not represent a good reason on the part of LeitnerLeitner, Paragraph 2 shall only apply, if the services rendered so far are of value to the client despite termination of contract. If LeitnerLeitner terminates the contract without good reason at an inopportune moment, LeitnerLeitner shall compensate the client for the damage caused according to Point 9.

(4) The fees are calculated in EURO excluding VAT, subject to printing mistakes and errors. The fees shall be due within ten days net from date of the invoice. In case of default, legal interest on arrears as well as any operating costs incurred shall be charged. Furthermore, in case of default in payment, any accounts receivable shall become due immediately and LeitnerLeitner shall have the right to terminate any mandates not yet completed without prior notice.

(5) In case of a material deterioration of the financial situation or unworthiness of credit of the client, LeitnerLeitner shall be entitled to collect any accounts receivable and withdraw from any mandates not yet completed.

(6) LeitnerLeitner shall have the right to render invoice in proportion to the services rendered up to the relevant point in time. Invoices are considered accepted unless LeitnerLeitner is informed otherwise by the client in writing within 30 days from receipt of the invoice.

## 14. Fee

(1) Unless the parties agreed that the services would be rendered free of charge or unless explicitly stipulated otherwise, pursuant to Section 1152 of the Civil Code (ABGB) the fee shall be calculated in accordance with the reasonable fee indicated in the General Guidelines for Fees laid down by the Working Group for Fees and Conditions of Contract of the Chamber of Certified Public Accountants. Unless otherwise agreed, payments of the client shall be deducted from the oldest outstanding.

(2) In case of events or circumstances occurring during the execution of the mandate and not known at the time of accepting the mandate and in case of an additional expense of more than 5 % LeitnerLeitner shall be entitled to terminate performance of the mandate unless the client confirms to incur the additional expenses.

(3) In addition to the reasonable rate or fee charged, LeitnerLeitner shall have the right to claim reimbursement of expenses. LeitnerLeitner can ask for advance payments and can make delivery of the results of their work dependent on satisfactory fulfilment of their demands. In this context reference shall be made to the legal right of retention (Section 471 of the Civil Code (ABGB), Section 369 of the Commercial Code (UGB)). If the right of retention is wrongfully exercised, LeitnerLeitner shall not be liable in the case of slight negligence, but in case of gross negligence shall be liable up to the outstanding amount of their fee. In cases of permanent consultancy further services may be denied until outstanding amounts are settled. This shall analogously apply if, in line with the respective agreement, services are rendered in instalments and fees are charged in instalments.

(4) If demands for advance payments are not fulfilled in time, LeitnerLeitner has the right to discontinue their work until payment is made.

(5) As regards standing mandates, the provision of further services may be denied until payment of previous services has been effected. This shall analogously apply if, in line with the respective agreement, services are rendered in instalments and fees are charged in instalments.

(6) With the exception of obvious essential errors, a complaint concerning the work of LeitnerLeitner shall not justify the retention of remuneration owed in accordance with this Point 14.

(7) Offsetting the remuneration claims made by LeitnerLeitner in accordance with this Point 14 shall only be permitted, if the demands are uncontested and legally valid.

(8) LeitnerLeitner shall have the right to compensation of any fees that are due by use of any available deposited funds, clearing balances or other liquid resources at their disposal even if these funds are explicitly intended for safekeeping.

(9) In securing their fee claims, LeitnerLeitner shall be entitled to transfer credits of the client set out on one of his tax accounts or any other account in connection with duties and contributions to an escrow deposit. The client has to be informed of such a transfer. LeitnerLeitner shall have the right to collect these transferred amounts, if either the client agrees or in the case of enforceability .

(10) Application of § 934 ABGB (Austrian Civil Code) within the meaning of § 351 UGB (Austrian Business Enterprise Code), i.e. rescission for *laesio enormis* (lesion beyond moiety) among entrepreneurs, is hereby renounced.

## 15. Other Provisions

(1) LeitnerLeitner shall keep the documents passed on by the client or produced by LeitnerLeitner in connection with the contract as well as the correspondence relating to the contract up to 8 years from handing over respectively from production. After this period documents will be destroyed. LeitnerLeitner shall not be liable for any loss caused by an obligation whatsoever to keep records beyond this period (e.g. pending proceedings). A longer storage will only be serviced against extra payment upon written request of the client.

(2) LeitnerLeitner shall hand over all documents received from the client within the scope of their activities at the request and expense of the client. However, this shall not apply to correspondence between LeitnerLeitner and the client nor to original documents in the possession of the client nor to documents which have to be kept according to the directive on money laundering. LeitnerLeitner may make or retain copies or duplicates of the documents to be returned to the client. After all the data to be archived, which has been prepared by LeitnerLeitner, has been delivered to the client or to the succeeding public accountant and tax advisor, LeitnerLeitner shall be entitled to delete the data in question.

(3) In the event of termination of the contract, LeitnerLeitner shall be entitled to charge an appropriate fee for further queries after termination of the contract and for granting access to the relevant information about the company.

(4) LeitnerLeitner may change these General Terms and Conditions from time to time. The client shall be

informed of such changes. If the client places an mandate after being informed of such changes, such changes are deemed to be accepted.

(5) Should a provision of these General Terms and Conditions of LeitnerLeitner be or become invalid or unenforceable, or should there prove to be an omission herein, this shall not affect the validity of the remaining provisions. In place of the invalid provision, a valid provision shall be deemed agreed which covers the meaning, purpose and economic result of the invalid provision to the extent legally possible.

(6) The contract, its execution and claims resulting from this contract or claims based on pre-contractual negotiations shall exclusively be governed by the laws of Austria excluding the provisions on private international law.

(7) The place of performance shall be the seat of LeitnerLeitner accepting the mandate.

(8) The competent court shall be the one at the place of performance.

## 16. Supplementary Provisions

(1) LeitnerLeitner, when performing the aforementioned activities, shall be entitled to assume information provided by the client, in particular figures, as correct. However, LeitnerLeitner is obliged to inform the client of any identified errors. Client shall provide LeitnerLeitner with all important documents required for keeping deadlines, in particular tax assessment notices, in good time so as to ensure that LeitnerLeitner has a reasonable amount of time, but not less than one week, to process the information.

(2) In the absence of written agreements to the contrary, consulting services shall consist of the following activities:

- a) preparing annual tax returns for income tax and corporation tax, value-added tax (VAT) as well as preparing the rateable value tax return on the basis of the financial statements and other documents and papers required for taxation purposes and to be submitted by the client or prepared by LeitnerLeitner.
- b) examining the tax assessment notices for the tax returns mentioned under a).
- c) negotiating with the fiscal authorities in connection with the tax returns and notices mentioned under a) and b).
- d) participating in external tax audits and assessing the results of external tax audits with regard to the taxes mentioned under a).
- e) participating in appeal procedures with regard to the taxes mentioned under a). If LeitnerLeitner receives a flat fee for regular tax consulting services, in the absence of written agreements to the contrary, the activities mentioned under d) and e) shall be invoiced separately.

(3) Particular matters pertaining to income tax, corporate tax and rateable value tax return as well as all matters relating to value-added tax, withholding tax on salaries and wages and other taxes and duties shall only be prepared on the basis of a specific contract. This shall also apply to

- a) processing non-recurring matters pertaining to tax, e.g. inheritance tax, capital transfer tax, land transfer tax,
- b) defence and consulting services in penal procedures relating to the taxes mentioned,
- c) providing consulting services and expert opinions in matters pertaining to the foundation, restructuring, merger, capital increase and decrease,

and reorganization of a company, entry and retirement of a shareholder or partner, sale of a business, winding up, management consultancy and other activities according to Sections 3 to 5 of the Act on Professions in the Field of Public Accounting (WTBG).

(4) Provided the assessment of the annual value added tax return is taken on as an additional activity, this shall not include the examination of any particular accounting conditions as well as the question of whether all relevant value added tax concessions have been utilized.

(5) The aforementioned paragraphs shall not apply to services requiring particular expertise provided by an expert.

## SECTION II SPECIFIC REGULATIONS ON BOOKKEEPING, PAYROLL ACCOUNTING, ADMINISTRATION AND ASSESSMENT OF PAYROLL-RELATED TAXES AND CONTRIBUTIONS

### 1. Scope

This Section II of the General Terms and Conditions of LeitnerLeitner shall apply to contracts for the rendering of services in the field of bookkeeping, payroll accounting, administration and assessment of payroll-related taxes and contributions. Section I shall apply unless otherwise stated.

### 2. Scope and Execution of Contract

(1) LeitnerLeitner shall be entitled to assume information provided by the client, in particular figures, as correct and complete and take them as a basis for accounting. LeitnerLeitner shall not be obliged to identify errors, unless specifically instructed to do so in writing. However, if errors are identified, LeitnerLeitner shall inform the client.

(2) If a flat fee has been negotiated for the activities mentioned in Point 1, in the absence of written agreements to the contrary, representation in matters concerning all types of tax audits and audits of payroll-related taxes and social security contributions including settlements concerning tax assessments and the basis for contributions, preparation of reports, appeals and the like shall be invoiced separately.

(3) Particular individual services in connection with the services mentioned in Point 1, in particular ascertaining whether the requirements for statutory social security contributions are met, shall be dealt with only on the basis of a specific contract and shall be treated according to Section I of these General Terms and Conditions.

### 3. Duty of Client to Cooperate

Client shall make sure that all information and documents required for bookkeeping, payroll accounting, administration and assessment of payroll-related taxes and contributions be placed at the disposal of LeitnerLeitner on the agreed date without LeitnerLeitners' specific request.

### 4. Termination

(1) Unless otherwise agreed to in writing, either contractual partner may terminate the contract at the end of each month with three months' notice without giving a particular reason.

(2) If the client repeatedly fails to fulfil his duties according to Point 3, this shall constitute a good reason under Section 1 Point 11 Paragraph 4 and LeitnerLeitner shall have the right to terminate the contract immediately without prior notice.

(3) If LeitnerLeitner defaults in rendering services due to reasons for which LeitnerLeitner is solely responsible, the client shall have the right to terminate the contract immediately without prior notice.

(4) In any case of a termination LeitnerLeitner shall inform the client within one month which assignments are considered to be part of the jobs to be completed at the time of termination.

## 5. Fee and Entitlement to Fee

(1) Unless otherwise agreed to in writing, the fee shall be considered agreed upon for one year at a time.

(2) If the contract is terminated for good reason LeitnerLeitner shall have the right to the full fee negotiated for three months. This shall also apply if the client fails to observe the period of notice.

(3) If a flat fee has not been negotiated, the fee shall be calculated pursuant to Paragraph 2 according to the monthly average of the current year of contract until termination.

## SECTION III SPECIFIC REGULATIONS ON AUDITS

### 1. Scope

(1) This Section III of the General Terms and Conditions of LeitnerLeitner shall apply to contracts concerning (statutory and voluntary) audits with or without auditor's certificate. Section I shall apply unless otherwise stated.

(2) Unless otherwise agreed upon writing, the purpose of contracts for audits shall not include to investigate whether

- a) regulations concerning tax laws or specific regulations, e.g. price fixing, restriction of competition and foreign exchange regulations have been adhered to;
- b) business is run in an economical, efficient and expedient manner; therefore no obligation shall exist to detect the falsification of accounts or other irregularities;
- c) client has appropriate insurance cover.

(3) For statutory and voluntary audits of financial statements as well as for other audits, the principles applicable to statutory audits of financial statements under the Stock Corporation Act shall apply accordingly.

### 2. Dissension

Any dispute arising out of dissensions in connection with the interpretation and applicability of laws and by-laws regarding annual accounts etc shall be decided upon request of LeitnerLeitner or the client solely by the competent commercial court („*der in Handelssachen berufene Gerichtshof erster Instanz im Verfahren außer Streitsachen (§ 276 UGB)*“).

### 3. Supplementary Provisions for Audits with Auditor's Certificate

(1) When a qualified or unqualified audit certificate is issued within the scope of a statutory audit of the annual financial statement, the audit certificate issued shall be appropriate for the respective type of business organisation.

(2) If financial statements are published together with the audit certificate, they shall only be published in the form confirmed or explicitly permitted by the auditor.

(3) If the auditor revokes his/her audit certificate, the further use thereof shall no longer be permitted. If the financial statements have been published with the audit certificate, the revocation thereof shall also be published.

December 2010