

Mundhenke & Partner

SNPC GmbH

Berlin

Report on the preparation
of the financial statements as of December 31, 2021

Mundhenke & Partner

GmbH

Steuerberatungsgesellschaft

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1. Engagement to prepare the financial statements

The management of

SNPC GmbH, Berlin

- hereinafter also referred to as the "Company" -

engaged us to prepare the financial statements as of December 31, 2021 based on the accounts kept by the company as well as on the additional vouchers and inventory evidence provided to us which we have not verified following the information given and in accordance with legal provisions and our client's instructions within this framework to exercise existing accounting options. We have carried out this engagement of the preparation of the financial statements in September 2022.

We would like to point out that, despite our preparation work, management is responsible for the books and records, the financial statements as well as the explanations and documentation provided to us.

Furthermore we were engaged to prepare a shortened version of the financial statements for publication purposes, for which size-depending facilitations are applied.

As a small corporation within the meaning of Sec. 267 German Commercial Code ["Handelsgesetzbuch": HGB] the company is not obliged to prepare a management report.

Our report complies with the announcement of the Federal Chamber of Tax Advisors concerning the principles for the preparation of financial statements as of April, 12/13 2010 [Verlautbarung der Bundessteuerberaterkammer zu den Grundsätzen für die Erstellung von Jahresabschlüssen].

The "General terms and conditions for German tax advisors (Steuerberater, Steuerbevollmächtigte) and firms of tax advisors (Steuerberatungsgesellschaften)" dated July 2018, which are attached to this report are applicable to this engagement and will also govern our relations with third parties in the context of this engagement.

This report is exclusively intended for internal purposes of the Company. For clarification purposes we would like to pay attention to the fact that we do not take the responsibility, liability or other obligations towards third parties or companies unless we have otherwise agreed in writing with them or such a liability exclusion would be legally invalid.

Within the framework of the engagement we observed the legal provisions for the preparation of financial statements as well as the principles of proper accounting. The compliance with other legal provisions as well as the identification and enlightenment of any offenses and infringements, which do not affect any legally required accounting principles, were not subject of our engagement.

We were provided with all the explanations and supporting documentation requested. In a letter of representation submitted to us, management confirmed the completeness of these explanations and documentation and of the books and records and financial statements.

This report is exclusively addressed to SNPC GmbH.

2. Basics for the preparation of the financial statements

2.1 Books and accounting records

The company is obliged to keep accounting records according to Sec. 238 HGB.

The bookkeeping and payroll accounting has been kept by the Company on their own EDP - systems using the software of Lexware. The fixed assets accounting has been prepared on our EDP-systems using the respective software of DATEV e.G..

2.2 Exercise of options

In the course of the preparation of the financial statements the size-depending facilitations in Secs. 264, 266, 274a, 276, 288 HGB were partly applied.

2.3 Financial statements and principles of accounting

Based on the prior-year's balance sheet prepared by us, the financial statements were compiled from the books and records and inventory documentation.

For the preparation of the financial statements the provisions of Secs. 242 to 256a German Commercial Code ["Handelsgesetzbuch": HGB] and Secs. 264 to 288 HGB as well as the special provisions of the German Limited Liability Companies Act ["GmbH Gesetz": GmbHG] had to be applied. Supplementary accounting provisions resulting from the shareholder's agreement had not to be observed.

The notes to the financial statements contain details regarding accounting and valuation methods.

The financial statements as of December 31, 2020, as well as the other necessary documentation were published in the electronic federal gazette.

3. Legal position and tax background

3.1 Legal position

Company`s name and seat:	SNPC GmbH, Berlin		
Company`s address:	Knesebeckstraße 59 - 61, 10719 Berlin		
Foundation:	March 29, 2011		
Articles of association:	Valid in the version as of March 29, 2011		
Commercial register and number:	Berlin (Charlottenburg), HRB 134382		
Financial year:	January 1 through December 31		
Purpose of the company:	Provision of consultancy services not subject to authorization		
Share capital:	EUR --,--		
Shareholder:		<u>EUR</u>	<u>share in %</u>
	Wolfgang Branoner	25,000.00	100.00
General manager:	Wolfgang Branoner The general manager has sole power of representation and is exempt from the restrictions of § 181 BGB.		
Shareholder`s meeting:	At the shareholder`s meeting on <u>November 2, 2021</u> the following resolutions were taken: <ul style="list-style-type: none">• Acceptance and approval of the financial statements as of December 31, 2020.• Exoneration of the general manager for financial year 2020.• To carry forward the company`s net income to the next financial year.		
Significant changes of legal position after the balance sheet date:	none		

3.2 Tax background

Tax office in charge:	Berlin für Körperschaften I
Tax payers's reference number:	27/199/05669
Taxes:	The Company is subject to corporate income tax according to Sec. 1 German Corporate Income Tax Act ["Körperschaftsteuergesetz": KStG], municipal trade tax according to Sec. 2 Para. 1 German Municipal Trade Tax Act ["Gewerbsteuergesetz": GewStG]. Its services underly the VAT regulations according to Secs. 16 - 18 German VAT Act ["Umsatzsteuergesetz": UStG].
Tax assessment notices:	Tax assessment notices are issued up to and including 2020
Tax field audit:	The tax field audit was conducted in 2014 covering fiscal years 2011 until 2012 but without any significant findings.

4. Nature and scope of the preparation work

Details of nature, scope and result of the preparation work carried out by us in the course of the engagement are documented in our working papers unless otherwise stated in this report.

Subject of the preparation without verification is the compilation of the balance sheet and the income statement as well as the preparation of the notes to the financial statements and further elements of the financial statements based on the books and records and the inventory as well as the client's instructions with regard to the accounting and valuation methods to be applied.

5. Attestation

To SNPC GmbH

In accordance with our engagement we have prepared the following financial statements - comprising the balance sheet, the income statement and the notes to the financial statements - of SNPC GmbH for the financial year from January 1 to December 31, 2021 considering the German commercial law.

The preparation is based on the receipts, accounts and inventory evidence provided, which we have not verified according to orders, as well as the information given.

The accounting records and the preparation of the inventory records and the annual financial statements in accordance with the provisions of German Commercial Law are the responsibility of the company's management.

Our work was performed in accordance with the official statement of the Federal Chamber of Tax Advisor concerning the principles for the preparation of financial statements [Verlautbarung der Bundessteuerberaterkammer zu den Grundsätzen für die Erstellung von Jahresabschlüssen]. This contains the preparation of the balance sheet, the income statement as well as the notes to the financial statements based on the accounting and the inventory as well as the guidelines of accounting and valuation methods applicable.

Hamburg, October 13, 2022

Mundhenke & Partner

GmbH

Steuerberatungsgesellschaft



Thomas Habermann
German Tax Advisor



Anne Baumgarten
German Tax Advisor

6. Exhibits

SNPC GmbH, Berlin

Balance sheet as of December 31, 2021

ASSETS			TOTAL EQUITY AND LIABILITIES	
	Financial Year EUR	Prior Year EUR	Financial Year EUR	Prior Year EUR
A. Noncurrent assets				
I. Intangible fixed assets				
1. Purchased licences, trademarks and similar rights and values as well as licenses to such rights and values	9,099.00	13,952.00		
II. Tangible fixed assets				
1. Other equipment, operating and office equipment	61,397.00	76,221.00		
Total noncurrent asset	<u>70,496.00</u>	<u>90,173.00</u>		
B. Current assets				
I. Receivables and other assets				
1. Trade receivables	1,258,238.45	722,265.56		
2. Other assets	23,933.31	5,071.18		
	<u>1,282,171.76</u>	<u>727,336.74</u>		
II. Cash on hand, central bank balances, bank balances, and checks	211,095.17	406,547.97		
Total current assets	<u>1,493,266.93</u>	<u>1,133,884.71</u>		
C. Prepaid expenses	6,241.18	30,753.01		
	<u><u>1,570,004.11</u></u>	<u><u>1,254,810.72</u></u>		
A. Equity				
I. Subscribed capital			25,000.00	25,000.00
II. Retained profits brought forward			19,133.81	17,029.43
III. Net income for the financial year			2,104.38	2,104.38
Total equity			<u>46,238.19</u>	<u>44,133.81</u>
B. Provisions				
1. Provisions for taxes			395.62	190,557.24
2. Other provisions			43,363.77	51,972.54
			<u>43,759.39</u>	<u>242,529.78</u>
C. Liabilities				
1. Trade payables			87,547.91	59,207.08
2. Other liabilities			1,392,458.62	908,940.05
			<u>1,480,006.53</u>	<u>968,147.13</u>
			<u><u>1,570,004.11</u></u>	<u><u>1,254,810.72</u></u>

SNPC GmbH, Berlin**Income statement for the financial year 2021**

(Translation from the German language)

	Financial Year EUR	Prior Year EUR
1. Sales	2,599,221.34	2,484,848.49
2. Other operating income	56,681.87	35,177.59
3. Cost of materials		
a) Cost of raw materials, consumables and supplies, and of purchased merchandise	-13,492.59	-16,230.00
b) Expenses for purchased services	-134,892.18	-263,413.35
	<u>-148,384.77</u>	<u>-279,643.35</u>
4. Personnel expenses		
a) Wages and salaries	-914,251.77	-762,390.89
b) Social security costs and expenses related to pension plans and for support	-169,702.64	-174,476.06
	<u>-1,083,954.41</u>	<u>-936,866.95</u>
5. Depreciation and amortization		
a) Of noncurrent intangible assets and property, plant and equipment	-26,549.07	-34,780.90
6. Other operating expenses	-449,890.92	-349,491.44
7. other interest and similar income	9.75	31.68
8. Interest and similar expenses	-351.16	-425.16
9. Taxes on income	-134,281.72	-129,373.62
	<u>812,500.91</u>	<u>789,476.34</u>
10. Net income/net loss after tax		
11. Other taxes	-493.46	-559.79
12. Income from profits transferred under profit pooling, profit and loss transfer, or partial profit transfer agreements	-809,903.07	-786,812.17
	<u>2,104.38</u>	<u>2,104.38</u>
13. Net income for the financial year		

SNPC GmbH, Berlin

Notes to the financial statements for the financial year 2021

(Translation from the German language)

1. General Notes

Mandatory notes according to Sec. 264 (1a) HGB

Company's name and seat: SNPC GmbH, Berlin

Trade register and number: Amtsgericht Berlin (Charlottenburg), HRB 134382

Other notes

The annual financial statements of SNPC GmbH as of December 31, 2021, have been prepared according to Secs. 242 et seq. and Secs. 264 et seq. German Commercial Code ["Handelsgesetzbuch": HGB] and the applicable provisions of the German Limited Liability Companies Act ["GmbH Gesetz": GmbHG].

The Company is a small-sized Company according to Sec. 267 (1) HGB.

For the income statement we have chosen the cost-summary method according to Sec. 275 (2) HGB. The facilitations according to Sec. 288 HGB for the notes to the financial statements were partly applied.

A management report has not been set up according to Sec. 264 (1) Sentence 4 HGB.

2. Accounting and valuation methods

For the preparation of the financial statements the following accounting and valuation methods were applied unchanged to prior years:

Intangible and tangible fixed assets are stated at acquisition cost less accumulated depreciation, if they have a limited useful life. Depreciation is calculated using the straight-line method of depreciation based on the estimated useful lives.

Receivables and other assets are initially valued at nominal value and are subsequently valued at the lower of nominal value and fair value at the balance sheet date.

Cash on hand and bank balances are shown at nominal value.

Other accruals account for all uncertain liabilities and potential losses from pending transactions. They are recognized at the settlement value deemed necessary according to prudent business judgement.

Liabilities are shown with the settlement value.

3. Notes regarding the balance sheet

Financial commitments as of December 31, 2021

Financial commitments amount to TEUR 196.

4. Other explanatory comments

Number of employees

An average of 16 employees was employed by the company during the business year.

Berlin, October 13, 2022

Wolfgang Branoner

General terms and conditions for German tax advisors (*Steuerberater, Steuerbevollmächtigte*) and firms of tax advisors (*Steuerberatungsgesellschaften*)

as of July 2018

These "general terms and conditions" shall govern contracts between German qualified tax advisors (*Steuerberater, Steuerbevollmächtigte*) as well as firms of tax advisors (*Steuerberatungsgesellschaften*) (hereinafter collectively referred to as the 'Tax Advisors', and each of them a 'Tax Advisor') and their clients (*Auftraggeber*), unless otherwise expressly agreed in text form (*Textform*) or prescribed by law.

1. Scope and execution of the engagement

- (1) The scope of the services to be rendered by the Tax Advisor shall be governed by the specific engagement. The engagement shall be executed in accordance with the principles of proper professional practice and in compliance with the relevant rules of professional conduct and professional obligations (cf. German Act Regulating the Profession of Tax Advisors [*Steuerberatungsgesetz – StBerG*] [hereinafter "*StBerG*"], German Professional Code of Conduct for Tax Advisors [*Berufsordnung der Steuerberater – BOSTB*]).
- (2) Foreign law shall only be taken into account if this has been expressly agreed in text form.
- (3) In the event that the legal position changes after a matter has been conclusively completed, the Tax Advisor shall not be under any obligation to alert the client to such change or the resulting implications.
- (4) The review of the documents and figures provided to the Tax Advisor, in particular the accounts and balance sheet, with regard to accuracy, completeness and conformity with applicable rules shall not form part of the engagement unless otherwise expressly agreed in text form. The Tax Advisor will assume that the information provided by the client, in particular the figures, is correct and will use it as a basis for his/her work. To the extent that he/she detects any evident inaccuracies, the Tax Advisor shall be obliged to point them out.
- (5) The engagement shall not be deemed to constitute an authorization to represent the client before public authorities, courts and other bodies. Such authorization would need to be granted separately. Where, owing to the client's absence, it proves impossible to coordinate with him/her as to the filing of legal remedies, the Tax Advisor shall be deemed, in case of doubt, to be both authorized and obliged to take action with a view to meeting a deadline.

2. Duty of confidentiality

- (1) In accordance with the law, the Tax Advisor shall be under a duty to maintain confidentiality with regard to all facts that have come to his/her attention in connection with the execution of the engagement unless the client releases him/her from this duty. The duty of confidentiality shall continue even beyond a termination of the contractual relationship. The duty of confidentiality shall apply, to the same extent, to the Tax Advisor's staff.
- (2) The duty of confidentiality shall not apply to the extent that a disclosure is necessary in order to protect the Tax Advisor's legitimate interests. Furthermore, the Tax Advisor is hereby released from the duty of confidentiality to the extent that, under the terms and conditions of his/her professional liability insurance, he/she has a duty to provide information and cooperate.
- (3) The foregoing shall not affect any statutory rights to refuse to provide information or to refuse to testify under sect. 102 German General Tax Code (*Abgabenordnung – AO*), sect. 53 German Code of Criminal Procedure (*Strafprozessordnung – StPO*) and sect. 383 German Code of Civil Procedure (*Zivilprozessordnung – ZPO*).
- (4) The Tax Advisor is hereby released from the duty of confidentiality to the extent that (i) this is necessary for purposes of carrying out a certification audit in the Tax Advisor's firm and (ii) the individuals who are acting in this regard, for their part, have been instructed as to their duty of confidentiality. The client hereby agrees that the person carrying out the certification/audit may inspect the client file which was created and is being maintained by the Tax Advisor.

3. Involvement of third parties

The Tax Advisor shall be entitled to involve staff and, subject to the prerequisites of sect. 62a StBerG, also external service providers (in particular data-processing companies) for purposes of carrying out the engagement. The bringing-in of third-party experts (e.g. other Tax Advisors, auditors, German qualified attorneys [*Rechtsanwälte*]) shall require consent and instruction on the part of the client. Without having been instructed by the client, the Tax Advisor shall be neither entitled nor obliged to bring in such third parties.

3a. Electronic communication, data protection¹⁾

- (1) In the context of the engagements, the Tax Advisor shall be entitled to electronically collect personal data of the client and to process such data in an automated file or to transmit such data to a service computer center for further processing of the data related to the engagement.
- (2) In order to satisfy his/her obligations under the EU General Data Protection Regulation (hereinafter "*GDPR*") and the German Federal Data Protection Act (*Bundesdatenschutzgesetz – BDSG*), the Tax Advisor shall be entitled to appoint a data-protection officer. Unless this data-protection officer is already subject to a duty of confidentiality under clause 2(1) sent. 3 above, the Tax Advisor shall ensure that the data-protection officer, upon taking up his/her activity, shall undertake to maintain data secrecy.
- (3) To the extent that the client wants to communicate with the Tax Advisor via a fax line or an e-mail address, the client must share in the costs for setting up and maintaining the use of signature procedures and encryption procedures of the Tax Advisor (e.g. for acquiring and setting up any necessary software and/or hardware).

4. Remediating of deficiencies

- (1) The client shall have a right to demand that any deficiencies be remedied. The Tax Advisor must be afforded an opportunity to take remedial action. If and to the extent that the engagement constitutes a contract for services (*Dienstvertrag*) within the meaning of sects. 611, 675 German Civil Code (*Bürgerliches Gesetzbuch – BGB*) (hereinafter "*BGB*"), the client may refuse any remedial action by the Tax Advisor if the engagement is terminated by the client and the deficiency is detected only after the engagement has been validly terminated.
- (2) Should the Tax Advisor fail to remedy the asserted deficiencies within a reasonable period or refuse to remedy the deficiencies, then the client may, at the Tax Advisor's expense, have the deficiencies remedied by another Tax Advisor and/or — at the client's choice — demand a reduction of the fees or rescission of the contract.
- (3) The Tax Advisor may at any time, also vis-à-vis third parties, correct obvious inaccuracies (e.g. clerical errors, or errors in calculation). Other deficiencies may be corrected by the Tax Advisor vis-à-vis third parties subject to the client's consent. Such consent shall not be required where the Tax Advisor's legitimate interests take precedence over the client's interests.

5. Liability

- (1) The liability of the Tax Advisor and his/her 'persons employed in performing a contractual obligation for whom the Tax Advisor is vicariously liable' [*Erfüllungshelfen*] [hereinafter the 'Vicarious Agents'] for any loss/damage resulting from one breach of duty or — in the context of a uniform injurious effect (*einheitliche Schadensfolge*) — from several breaches of duty on the occasion of executing an engagement shall be capped at EUR 10.000.000,-²⁾ (in words: ten million euros). The limitation of liability shall apply in relation to negligence only; liability for intent shall not be subject to such limitation. Liability claims in relation to any loss/damage arising from injuries to life, body or health shall be excluded from this limitation of liability. The limitation of liability shall apply to the Tax Advisor's entire activity for the client, i.e. also, in particular, to an extension to the scope of the engagement; in this regard, there shall be no need for agreeing the limitation of liability again. The limitation of liability shall also apply in the case of the establishment of a joint practice (*Sozietät*) / partnership company (*Partnerschaft*) and assumption of the engagement by the joint practice / partnership company as well as for partners

1) Moreover, for purposes of the processing of personal data, a legal basis under art. 6 EU General Data Protection Regulation ("*GDPR*") must be applicable. That norm merely lists the legal bases for a lawful processing of personal data. In addition, the Tax Advisor must fulfill the duty to provide certain information, under sects. 13 or 14 GDPR, by way of furnishing additional information. In this regard please note the comments and explanations contained in the instruction leaflet regarding forms no. 1005 "data-protection information for clients" and no. 1006 "data-protection information regarding the processing of staff data".

2) Please insert amount as appropriate. In order to be able to take advantage of this provision, an amount of at least EUR 1 million must be specified, and the contractual amount insured must be at least EUR 1 million for the individual damage event; otherwise clause 5 needs to be deleted. In that case it must be seen to it that the liability-related agreement to be reached in the form of an individual contract contain a provision that corresponds to clause 5(2). Please also refer to the further comments contained in instruction leaflet no. 1001.



who join the joint practice / partnership company. Furthermore, the limitation of liability shall also apply vis-à-vis third parties to the extent that these fall within the scope of protection of the engagement; in this regard, sect. 334 BGB is expressly not waived. Any agreements, contained in individual contracts, providing for a limitation of liability shall take precedence over this provision but — unless otherwise expressly stipulated — shall not affect the validity of this provision.

(2) Provided there was a sufficiently high insurance cover in place, the limitation of liability shall apply retroactively from the beginning of the engagement or, as the case may be, from the point of taking out higher insurance cover. If the scope of the engagement is subsequently modified or expanded, then the limitation of liability shall also extend to these cases.

6. Duties on the part of the client; client's failure to cooperate and client's default of acceptance

(1) The client shall be obliged to cooperate to the extent that this is necessary in order for the engagement to be duly executed. In particular, he/she shall submit to the Tax Advisor, unprompted, a complete set of all documents necessary in order to execute the engagement; such submission shall occur in such a timely manner as to afford the Tax Advisor a reasonable processing time. The same shall apply with regard to briefings about all events and circumstances which may be of importance for purposes of executing the engagement. The client shall be obliged to take note of all written and oral communications issued by the Tax Advisor and to consult him/her when in doubt.

(2) The client shall refrain from anything that may prejudice the independence of the Tax Advisor or the Tax Advisor's Vicarious Agents.

(3) The client hereby undertakes to pass on the results of the Tax Advisor's work only with the Tax Advisor's consent unless the consent to such results being passed on to a specific third party already flows from the content of the engagement.

(4) Should the Tax Advisor employ data-processing programs at the client's premises, then the client shall be obliged to comply with the instructions by the Tax Advisor with regard to installation and application of such programs. In addition, the client shall be obliged to only use the programs within the scope prescribed by the Tax Advisor, which shall also be the scope of use to which the client is entitled. The client must not disseminate the programs. The Tax Advisor shall remain the owner of the rights of use. The client shall refrain from anything which constitutes an obstacle to the exercise by the Tax Advisor of the rights of use with regard to the programs.

(5) Should the client fail to comply with a duty to cooperate incumbent on him/her under clause 6(1)–(4) or as provided for elsewhere or be in default of acceptance in relation to the services tendered by the Tax Advisor, then the Tax Advisor shall have the right to terminate the contract without notice (cf. clause 9(3)). This shall not affect the Tax Advisor's claim to be compensated for the additional expenses incurred by him/her owing to the client's default or failure to cooperate as well as for any loss/damage caused, even in the event that the Tax Advisor opts not to exercise his/her right of termination.

7. Copyright protection

The services rendered by the Tax Advisor constitute his/her intellectual property. They are protected by copyright. Beyond their intended use, work results may be passed on only upon prior written consent by the Tax Advisor.

8. Fees, advance payment and offsetting

(1) The Tax Advisor's fees (professional fees and reimbursement of out-of-pocket expenses) for his/her professional activity in accordance with sect. 33 StBerG shall be determined pursuant to the German Regulation on Tax Advisors' Fees (*Steuerberatervergütungsverordnung – StBVV*) (hereinafter "StBVV"). Fees above or below the statutory fees may be agreed in text form. Agreeing fees below the statutory fees is permissible in out-of-court matters only. Such lower fees must bear an adequate relation to the services, responsibility and liability risk of the Tax Advisor (sect. 4(3) StBVV).

(2) For activities not dealt with in the Regulation on Fees (e.g. sect. 57(3) nos. 2 and 3 StBerG), the applicable fees shall be those agreed; otherwise, the fees determined by statute for such activity; or else the customary fees (sects. 612(2) and 632(2) BGB).

(3) Only claims that are undisputed or have been determined with final and absolute effect (*rechtskräftig*) may be set off against a fee claim of the Tax Advisor.

(4) The Tax Advisor shall be entitled to request an advance payment for professional fees and out-of-pocket expenses already incurred or expected to be incurred. In the event that the requested advance payment is not made, the Tax Advisor may, upon prior notice, cease working for the client until the advance payment is received. Where a cessation of work may adversely affect the client, the Tax Advisor shall be obliged to notify the client, in a timely manner, of the Tax Advisor's intention to cease working.

9. Termination of the contract

(1) The contract shall terminate upon completion of the services, upon expiry of the agreed term, or by giving notice. The contract shall not terminate upon the client's death or upon the client becoming legally incapacitated or, in the case of a company, upon the company's dissolution.

(2) If and to the extent that the contract constitutes a contract for services within the meaning of sects. 611, 675 BGB, either party may terminate the contract for cause (*außerordentlich*) except in the case of a service relationship with fixed earnings (*Dienstverhältnis mit festen Bezügen*), sect. 627(1) BGB; notice must be given in text form. Any deviation from the foregoing in individual cases shall require an agreement to be negotiated between the Tax Advisor and the client.

(3) In order to prevent legal disadvantages for the client, upon termination of the contract by the Tax Advisor the Tax Advisor must, in any event, still take those actions which may reasonably be expected of him/her and which ought not to be postponed (e.g. application for the extension of a deadline which is about to expire).

(4) The Tax Advisor shall be obliged to hand over to the client anything the Tax Advisor receives or has received for purposes of executing the engagement and anything the Tax Advisor obtains in the context of the management of the affairs of another (*Geschäftsbesorgung*). In addition, the Tax Advisor shall be obliged, upon request, to provide the client with a progress report and to render account for the Tax Advisor's activities.

(5) Upon termination of the contract, the client must promptly hand over to the Tax Advisor the data-processing programs employed at the client's office for purposes of executing the engagement, including any copies created, as well as any other program documents, and/or delete them from the hard drive.

(6) Upon termination of the engagement, the documents must be collected from the Tax Advisor.

(7) In the event that the engagement terminates before it has been completed, the Tax Advisor's fee claim shall be governed by statute. Any deviation from the foregoing in individual cases shall require a separate agreement in text form.

10. Storage, delivery and right of retention with regard to work results and documents

(1) The Tax Advisor must store the client files for a period of ten years after the engagement has terminated. However, this obligation shall expire before the above period has elapsed if the Tax Advisor has asked the client to take receipt of the client files and the client has failed to comply with such request within six months of having received it.

(2) 'Client files' within the meaning of para. 1 shall only include such documents as have been obtained by the Tax Advisor, on the occasion of his/her professional activity, from or for the client; by contrast, they shall not include the correspondence between the Tax Advisor and his/her client and the documents which the client has already received in the original or as a copy as well as the working papers produced for internal purposes (sect. 66(3) StBerG).

(3) At the request of the client, but no later than after termination of the engagement, the Tax Advisor shall hand over the client files to the client within a reasonable period. The Tax Advisor may create and retain copies or photocopies of documents which he/she returns to the client.

(4) The Tax Advisor may refuse to hand over the client files until his/her fees and out-of-pocket expenses have been settled. This shall not apply to the extent that withholding the client files and the individual documents would be unreasonable under the circumstances (sect. 66(2) sent. 2 StBerG).

11. Miscellaneous

The engagement, its execution and the claims resulting therefrom shall be exclusively governed by German law. The place of performance shall be the client's place of residence unless he/she is a merchant (*Kaufmann*), legal person under public law, or special fund (*Sondervermögen*) under public law; otherwise, the place of performance shall be the professional establishment of the Tax Advisor. The Tax Advisor is — not — prepared to participate in dispute-resolution proceedings before a consumer conciliation body (sects. 36, 37 German Act on Alternative Dispute Resolution in Consumer Matters [*Gesetz über die alternative Streitbeilegung in Verbrauchersachen – VSBG*]).³⁾

12. Validity in the event of partial nullity

Should individual provisions of these terms and conditions of engagement be or become invalid, then this shall not affect the validity of the remaining provisions.

3) Where it is desired for dispute-resolution proceedings to be carried out before the consumer conciliation body, delete the word 'not'. In this case, the relevant consumer conciliation body, along with its physical address and website, needs to be specified.