

General Terms and Conditions for Provision of Tax Counselling

Effective since September 17, 2018

1. PRELIMINARY CLAUSE

The general terms and conditions specify elementary legal relationships within tax counselling provided to Clients.

Provision of tax counselling by an authorized body – a tax adviser or a tax advisory company – follows the Act no. 523/1992 Sb., on Tax Counselling and the Chamber of Tax Advisors of the Czech Republic, as amended (hereinafter only referred to as „the Act“), relevant provisions of the Act no. 89/2012 Sb., of the Civil Code (hereinafter only referred to as „CC“), other legal regulations, contractual arrangements agreed between the Advisor and the Client and these General Terms and Conditions of Tax Counselling (hereinafter only referred to as „GTCTC“), if they are included in the agreement concluded between the Advisor and the Client in accordance with § 1751 CC.

The contractual arrangement always prevails provisions of GTCTC.

2. DEFINITION OF TERMS

For the purpose of GTCTC, the terms are defined as follows:

2.1. Tax Counselling

2.1.1. Tax Counselling means provision of legal assistance and financial-economical advice in the field of taxes, levies, fees and other similar payments, as well as in the matters which are directly related to taxes. Tax Counselling also include advisor's negotiations with third parties, especially with tax authorities, social security and health insurance bodies, in the extent specified in the agreement. The advisor may also provide book-keeping for the Client, single-entry book-keeping or other records which are directly associated to taxes, within provision of tax counselling.

2.1.2. Tax Counselling also includes consultancy for book-keeping of required tax records, and based on accounting source materials and documents, Tax Counselling includes issuance of relevant tax declarations and reports which the Client is or will be obliged to submit.

2.1.3. Tax Counselling is done via consultancy, meetings and negotiations between the Advisor or his/her representatives and the Client, Client's representatives or Client's relevant employees and people specified in the agreement. Tax consultancy is provided in the headquarters of the Advisor or Client. If needed or agreed, it may be realized in another place.

2.2. Advisor

The person authorized to execute tax counselling is a physical entity registered in the list of tax advisors, which is kept by the Chamber of Tax Advisors of the Czech Republic (hereinafter only referred to as „the Chamber“), and a legal entity registered in the list of legal entities kept by the Chamber, which is obliged to provide tax counselling through a tax advisor (hereinafter only referred to as „the Advisor“).

2.3. Client

The Client is a person to whom Tax Counselling is provided on the basis of agreement concluded with the Advisor.

2.4. Contact Person

Contact people are the people who the Client and the Advisor communicate through. Unless the Client expressly limits the extent of authorization, each contact person is entitled to be informed about performance of tax counselling without limitation.

2.5. Taxes

Taxes mean especially taxes in accordance with the tax rules, which are income of the public budget, or deduction of the income to public budget. For the purpose of the GTCTC, taxes include particularly taxes, fees, levies, advances for such payments, security of taxes, duties and charges for breach of budgetary discipline, and they also include tax deduction, tax loss or another taxation method.

2.6. Social Security Contribution

Social security contribution means especially payments to the national budget, specified by laws for social security contribution and contribution to the national employment policy.

2.7. Public Health Insurance

Public health insurance means especially payments specified by laws for public health insurance, which receive health insurance companies.

2.8. Extras

Extras include especially penalties, tax increase, tax procedure costs, interests and fines, imposed in accordance with applicable law.

2.9. Tax Administrator

The tax administrator means territorial financial authorities and other administration and other public bodies of the Czech Republic, as well as municipal bodies in the Czech Republic materially competent for tax administration in accordance with special laws.

2.10. Social and Health Insurance Bodies

Social and health insurance bodies mean bodies which are in charge of collection and administration of social and health insurance.

2.11. Professional Standpoint

Professional standpoint means Advisor's opinion on the assignment defined by the Client within tax counselling, which is provided in the method and the form agreed in the agreement.

2.12. Power of Attorney

Power of attorney is a proof, which verifies the fact that the Advisor represents the Client to third parties; it shall be issued by the Client.

2.13. Insurance

Insurance means Advisor's professional liability insurance for damage, or other harm which may occur in connection with execution of tax counselling.

2.14. Damages

Damages mean reduction of Client's capital, which occurred in connection with execution of tax counselling within the concluded agreement in accordance with law. Generally, tax assessed to the Client afterwards by the tax authority is not considered as damage.

2.15. Tax Statement

Tax statement means obligation of a taxable person to tell the tax authority the amount of taxable person's tax base, and to calculate the tax with only minor exceptions.

2.16. Processing of Tax Statement by Advisor

In accordance with the agreement with the Client, the Advisor shall process tax statements specified in the agreement. Scope and conditions for processing of the statements shall be specified in the agreement.

2.17. Submitting of Tax Statement by Advisor

Submitting of the tax statement by the Advisor means Advisors actions based on the power of attorney, which shall lead to submitting of the Client's statement to the tax authority unless otherwise agreed.

2.18. Accounting Item

Accounting item means a line of the Client's ledger.

2.19. Remuneration

Advisor's remuneration means the contract price agreed for his/her service.

2.20. The terms used in legal regulations of other countries shall be considered appropriately in accordance with the definitions for the purpose of agreement.

3. CHANGE IN TERMS AND CONDITIONS

- 3.1.** The Advisor may change or supplement the text of GTCTC, especially with respect to change of legal regulations, market conditions, or changes induced by technology development.
- 3.2.** The Advisor shall inform the Client about any change of GTCTC by sending new text of GTCTC in .pdf format to the e-mail address provided by the Client, at least two months before the change comes into effect. If the Client does not reject the change in writing in the form of notice in accordance with the following clause, the suggested change will come into effect between the Client and the Advisor.
- 3.3.** If the Client does not accept the suggested GTCTC change, the Client shall be entitled to terminate the agreement between the Advisor and the Client, to which the suggested changes are applied, in writing and before the suggested date. The force of the notice shall be applied in accordance with provisions of the agreement while the obligation arising from the agreement shall conform to GTCTC effective before the change of GTCTC, the Client disagree with, comes into effect.

4. ADVISORS'S RIGHTS AND OBLIGATIONS

- 4.1.** The Advisor shall protect rights and legitimate interests of his/her Client. S/he shall act honestly and scrupulously, s/he shall systematically use any legal resources and apply everything s/he considers to be beneficial in his/her opinion and in accordance with Client's instructions. When doing so, s/he shall be only bound by the laws and other legal regulations and by Client's instructions within the limits of the aforementioned.
- 4.2.** In a justified case and if it is urgently needed and if it is in the Client's interest and it is not possible to get Client's approval, or if the Client does not provide cooperation in reasonable period, and if it is not expressly forbidden by the Client, the Advisor may deviate from the Client's instruction. However, the Advisor shall be obliged to inform the Client about such a step immediately.
- 4.3.** The Advisor shall use all his/her knowledge, experience and skills to provide his/her services to the Client.
- 4.4.** The Advisor shall reject performance of especially such instructions which are inconsistent with good manners, or which are illegal.
- 4.5.** In the agreed period, the Advisor will inform the Client about any facts which the Advisor found out during provision of tax counselling and which may result in change of the Client's instruction.
- 4.6.** The Advisor may be substituted with another Advisor when providing the tax counselling. At the negotiations, the Advisor may even be represented by his/her worker.
- 4.7.** The Advisor shall be entitled to keep original correspondence, which s/he took over when providing tax counselling. The Advisor may keep copies of Client's used materials for the purpose implied by Advisor's position in accordance with legal regulations.
- 4.8.** If the circumstances of the case or customs of the tax counselling require so, the Advisor shall be entitled to intervene to protect the Client's interests; although legal regulations, or the agreement do not imply obligation of active intervention.
- 4.9.** The Advisor, his/her worker or another representative, as well as a person who lost qualification for performance of tax counselling, shall be obliged not to disclose any facts they got to know in connection with provision of tax counselling. They may only be relieved of that obligation, even for the purpose of criminal proceedings, by Client's declaration, however; in such a case the Advisor shall also keep the information confidential, if it is in the Client's interest.
- 4.10.** The Advisor may appeal to confidentiality especially in cases, when s/he must not be questioned like a witness if his/her testimony breached the confidentiality imposed or accepted by government, and if s/he were required to tell findings that resulted from his/her own work.
- 4.11.** The Advisor cannot appeal to confidentiality if s/he is obliged to prevent or announce commission of crime in accordance with law, if s/he is relieved of the obligation of confidentiality in accordance with the Act, or with the agreement, in the extent of obligatory cooperation specified in special regulations.
- 4.12.** When providing the tax counselling, the Advisor shall notify the Client of obvious incorrectness of his/her instruction, which might result in damage. If the Client despite Advisor's notification insists on execution of the instruction, the Advisor shall not be obliged to pay the accrued damage. Obviously incorrect instruction of the Client also includes inactivity if the Client is asked by the Advisor to reject the suggested procedure.

- 4.13.** The Advisor shall be entitled to terminate the concluded agreement for provision of tax counselling, if trust between the Advisor and the Client is shaken, if the Client does not provide necessary cooperation, or if the Client did not pay an adequate advance payment for provision of tax counselling without serious reason (§ 6, clause. 3 of the Act).
- 4.14.** In 15 days after the Advisor informs the Client about termination of the agreement for provision of tax counselling, the Advisor shall be obliged to:
- Do any urgent activities, unless the Client took other measures;
 - Settle the advance payment for remuneration and expenses with the Client if the Client paid that.

5. CLIENT'S RIGHTS AND OBLIGATIONS

- 5.1.** The Client shall have the right to get the tax counselling in accordance with the Act, agreement and the GTCTC.
- 5.2.** The Client shall have the right and obligation to cooperate closely with the Advisor within provision of tax counselling.
- 5.3.** The Client shall provide the Advisor with any possible cooperation; in particular the Client shall provide complete, clear, unambiguous, true and timely information. Information, which affect or may affect performance of the agreement, shall be provided by the Client even without Advisor's request; this shall be applied especially to newly occurred or detected facts, which the Client shall be obliged to tell the Advisor without unnecessary delay. And the Client shall also enable the Advisor to access any documents which are related to the Client's business and affect, or may affect the performance of the agreement in Advisor's opinion.
- 5.4.** The Client shall be obliged to tell the Advisor any people authorized to act with the Advisor on behalf of the Client, and people authorized to provide the Advisor with assistance within performance of the agreement, hereinafter only referred to as „the Contact people“.
- 5.5.** The Client shall have the right to get explained the procedures, which the Advisor used, legal and factual proceedings and to get complete information on status of the process in which the Client is represented by the Advisor. The Client shall have the right to get copies of any documents which are presented by the Advisor on behalf of the Client.
- 5.6.** The Client shall have the right to get information on scope of the Advisor's professional liability insurance and the limit of the Advisor's professional liability insurance. If the accrued damage exceeds the limit, the difference shall be borne by the Client.
- 5.7.** The Client shall hand over any documents and other information which are, have been, will be or might be related to the subject matter of the agreement or make them accessible for the Advisor in accordance with his/her demands, in 7 days after the agreement comes into effect or after receiving the Advisor's request.
- 5.8.** The Client shall be responsible for realness, correctness, trueness, timeliness and completeness of any documents, which the Client shall hand over to the Advisor or make them accessible for the Client. The Advisor shall not be responsible for the documents in this respect. The Client shall be responsible for realness, correctness, trueness, timeliness and completeness of any information which the Client shall tell the Advisor. If the facts provided to the Advisor are changed, the Client shall update the provided information without unnecessary delay.
- 5.9.** The Client shall remove any deficiencies, mistakes and incorrectness, which the Advisor shall notify the Client, of, without unnecessary delay.
- 5.10.** The Client shall hand over the materials in accordance with 5.7 or make them accessible for the Advisor for the entire period of affectivity of the obligation arising from the agreement, without any delay.
- 5.11.** The Client shall inform the Advisor about any known risks related to the subject matter of the agreement without unnecessary delay. When required by the Advisor, the Client shall provide such information and instruction in written format.
- 5.12.** The Advisor shall tell the information allowing evaluation of the scope of risks which the Advisor shall face when providing the tax counselling; the Client acknowledges that provision of misleading, incomplete or false information may result in proportional reduction of the obligation of compensation for damages caused by the Advisor, in accordance with § 2918 Act no. 89/2012 Sb., the Civil Code (hereinafter only referred to as „CC“).

- 5.13.** The Client shall be obliged to make always all efforts not to cause damage to himself/herself or to the Advisor; none of the Advisor's obligation may relieve the Client of that obligation.
- 5.14.** The Client shall immediately inform the Advisor about any actions made without Advisor's knowledge in the concerns that are subject matter of the contract, especially on start, progress and result of the inspection, procedure of doubt removal, submitting of tax statement, or on actions made in connection with proceedings concerning social security contribution, or public health insurance related to the subject matter of the agreement. Failure to fulfil this obligation may result in proportional reduction of the obligation of compensation for damages caused by the Advisor, in accordance with § 2918 CC.
- 5.15.** If the tax authority or other entity expressed doubts about Advisor's legal opinion in professional point of view in accordance with 2.11., the Client shall be obliged to enable the Advisor to explain and defend the point of view under the condition specified in the agreement even if the contractual relationship given by that agreement has already expired. If the Client fails to fulfil this obligation the Advisor shall not be liable for the damages.
- 5.16.** The Client shall be obliged not to disclose any facts, information, advice, instructions and recommendations, which s/he got to know in connection with performance of the agreement and provision of the tax counselling, even after the obligation arising from the agreement expired. The Client must not tell third parties information about the advice, which the Advisor provided to him/her, without previous consent of the Advisor. The obligation of Client's non-disclosure shall not be applied to cases of legally binding obligation to prevent and announce commission of crime, or to cases when the Client is obliged to assist the bodies responsible for penal proceedings.
- 5.17.** The Client shall relieve the Advisor of non-disclosure agreement and allow him/her providing the necessary data
- To other Advisors and other people who might contribute to proper and complete performance of the agreement and thus participate in defending of Client's legitimate interests;
 - To dealer, insurance company, lawyers and Chamber of Tax Advisers of the Czech Republic when the Advisor applies compensation for damages accrued to the Client from the Advisor's insurance kept at the relevant insurance company;
 - To any participant of the proceedings when the Client requires Advisor's testimony in another proceedings;
 - To any participant of the proceedings and court in case of a legal process between the Client and the Advisor regarding culpable damage or payment for services provided by the Advisor;
 - To any participant of the proceedings, bodies responsible for penal proceedings and court in case of Advisor's criminal prosecution initiated on the basis of a complaint or testimony provided by the Client or by the Client's representative;
 - to the entity which shall resolve a dispute between the Client and the Advisor.
- 5.18.** Even in such cases, the Advisor shall to the maximum save the Client's protected interests, privacy, business and other secrets.

6. CLIENT'S IDENTIFICATION

- 6.1.** The Client shall be obliged to identify in accordance with special regulations. For this purpose, the Client shall submit appropriate documents to the Advisor and hand over the copies to the Advisor, or allow copying of such documents. The Client shall provide the Advisor with any assistance, which is required to fulfil the Advisor's obligations arising from the Act no. 253/2008 Sb., on some measures against legalization of criminal activities and funding the terrorism, as amended (hereinafter only referred to as "AML act"), especially when providing the Client's inspection in accordance with § 9 AML act.
- 6.2.** For the purpose of AML act, the Advisor shall make copies or abstracts of the Client's submitted documents and process such received information to fulfil the purpose of the act.
- 6.3.** When the obligation arises, the Advisor shall identify each physical person representing the Client, who is a legal entity, while the identified person is physically present, unless otherwise agreed.
- 6.4.** When the obligation arises, the Advisor shall identify each physical person who the Client appoints as a contact person, while the identified person is physically present, unless otherwise agreed.

- 6.5.** The Client shall inform the Advisor on sources of the finance if it was not gained by Client's proper business activities. If the Client is a legal entity, the Client shall inform the Advisor about its real owner.
- 6.6.** When identifying the Client, who is:
- A physical person, who is physically present, the Advisor shall record the identification data and verify that in the identity card, if the data is available there, and then the Advisor shall record type and number of the identity card, country, or body which issued that, and its expiration date; and the Advisor shall also check accordance of the appearance with the photo in the identity card,
 - A legal entity, the Advisor shall record the identification data and verify that in the document on existence of the legal entity, and in accordance with clause a) the Advisor shall identify the physical person, who is physically present, and who represents the legal entity in the specified affair; if statutory body, its member or person controlling the legal entity is another legal entity, the Advisor shall record identification data of that legal entity, too,
 - Represented on the basis of power of attorney, the Advisor shall identify the donee of power, while the person is present, in accordance with clauses a) and b) and with the submitted power of attorney.
- 6.7.** During the effect of the obligation, the Advisor shall inform on any changes which may affect correct identification of the Client, in particular on the validity and completeness of identification data.
- 6.8.** The Advisor shall be entitled to terminate the agreement if,
- The Client rejects identification, or rejects to present the power of attorney, or if identification cannot be done for another reason,
 - The Client does not provide necessary cooperation to fulfil the purpose of AML act, or if purpose of the act cannot be fulfilled for another reason, or
 - If the Advisor reasonably doubts trueness of information provided by the Client, or authenticity of the submitted documents.

7. COMPENSATION FOR DAMAGES

- 7.1.** The Advisor shall compensate the damage to the Client, if the damage was caused in connection with performance of the tax counselling by the Advisor, his/her representative or worker. The Advisor shall be relieved of the obligation if s/he proves that s/he could not prevent the damage even though s/he made all his/her effort which may be required from him/her.
- 7.2.** The Advisor shall not be obliged to compensate the damage to the Client, if it was caused by the Client due to breach of agreement or of these GTCTC.
- 7.3.** If there are reasonable doubts that the provided tax counselling may result in occurrence of damage, both parties shall be obliged to take steps and measures to prevent or reduce the damage. The Client shall be obliged to notify the Advisor of such facts immediately after these are found out and provide necessary cooperation, in particular any associated materials and information.
- 7.4.** If there is a risk of occurrence of damage, or if the damage has already accrued, the Client shall be obliged to allow the Advisor application of any permissible legal remedies and application of any permissible remedies to seek judicial protection, or participating in such steps efficiently. If the Client does not allow the Advisor to take such steps, the Advisor shall not be obliged to compensate the accrued damage.
- 7.5.** The compensation for damage shall be due by the Advisor in 30 days after the insurance company closes the settlement of the insured incident. If the insurance company refuses to pay and the obligation of compensation for damage is decided by court, the compensation for damage shall be due in 30 days after the judgement on compensation for damage comes into effect. If the insurance company does not pay for another reason, then the relevant legal regulations shall be applied.
- 7.6.** The Advisor shall not be obliged to compensate the damage if it was caused by Client's action or by lack of cooperation, which was the Client obliged to provide, in particular by lack of cooperation during administrative or judicial proceedings and Client's independent steps in such proceedings taken without discussion with the Advisor.
- 7.7.** The Client shall bear the damage which will be accrued as a result of concealment, incorrectness or incompleteness of the documents. The Client shall also bear the damage if any document is not given to the Advisor in time.

- 7.8. The Advisor shall not pay for the damage accrued as a result of risk which the Advisor identified in advance, including cases, when the Advisor informs the Client about risk arising from possible different interpretation of legal regulations explained by financial authorities or by court, and the Client decided to bear such risk. The Client's decision may be formed as an expressed consent, or as Client's inactivity if the Advisor provably asks the Client to express his/her possible disagreement with the suggested procedure.
- 7.9. The Advisor shall not be liable for legality of procedures and business activities of the Client.
- 7.10. The Advisor shall not be liable for timeliness and correctness of Client's payments of taxes and insurance.

8. POWER OF ATTORNEY

- 8.1. The power of attorney must include unambiguous identification of the Client and the Advisor (the donor of power and the donee of power). Furthermore, the power of attorney must contain specification of the subject matter and scope of the power of attorney, date of issuance, affectivity, expiration date and signature.
- 8.2. Certification of Client's and Advisor's identities in the power of attorney is only necessary if this is required by legal regulation, or if the Advisor requires so.
- 8.3. Representation based on the power of attorney does not exclude Client's direct negotiations with the tax authority, while the clause 5.14 shall be applied.
- 8.4. The power of attorney shall expire,
- If it is revoked by the Client,
 - If it is revoked by the Advisor,
 - After the period, for which it was agreed, elapses,
 - By fulfilment of the purpose for which it was specified,
 - By Client's or Advisor's death, or by dissolution with no legal successor, if the Client is a legal entity.
- 8.5. If the Client revokes the power of attorney, s/he shall be obliged to inform the Advisor without unnecessary delay. The Advisor shall act similarly, if s/he revokes or refuses the power of attorney.

9. KEEPING OF RECORDS AND PERSONAL DATA PROTECTION

- 9.1. The Advisor shall be entitled to keep records on performance of the tax counselling.
- 9.2. The records include documents, entries and data files, which shall be kept by the Advisor for his/her needs.
- 9.3. The Advisor shall exert professional care when keeping the records.
- 9.4. The Advisor shall process Client's personal data, if the Client is a physical person,
- For the purpose of processing tax statements and provision of other tax counselling in accordance with the agreement, for the period when the tax counselling is provided to the Client,
 - In the records to protect the legal claims of the Advisor on the basis of Advisor's legitimate interest, which consists in defence of his/her own rights, during provision of the tax counselling to the Client and then for 10 years after end of the provision at the longest, with respect to limitation time for tax crimes, foreclosure period in tax proceedings and potential delayed claiming for damages by the Client; the period shall be stopped if the Client claims compensation for damages, caused by the Advisor during provision of tax counselling, at the Client or other body, or entity, or if the Advisor has reason to believe that the Client might claim such right,
 - For the purpose of performance Advisor's legal obligations, especially based on obligations arising from AML act, act no. 563/1991 Sb., on accounting, as amended, act no. 235/2004 Sb., on value added tax, as amended, for the period specified in the regulations, and for 10 years after end of the provision of the tax counselling at the longest,
- 9.5. The Advisor shall process identification and contact data of the Client's statutory bodies, if the Client is a legal entity and also identification data, data on economic transactions and other data necessary for determination of the Client's tax obligation, which are referred to third parties, the data of which is

contained in the materials handed over by the Client for the purpose of provision of tax counselling (e.g. of Client's family members, or employees),

- For the purpose of processing of tax statements and provision of other tax counselling in the legitimate interest, consisting in protection of the Client's interest during the period of the agreement,
 - In the records to protect the legal claims of the Advisor on the basis of Advisor's legitimate interest, which consists in defence of his/her own rights, during provision of the tax counselling to the Client and then for 10 years after end of the provision at the longest, with respect to limitation time for tax crimes, foreclosure period in tax proceedings and potential delayed claiming for damages by the Client; the period shall be stopped if the Client claims compensation for damages, caused by the Advisor during provision of tax counselling, at the Client or other body, or entity, or if the Advisor has reason to believe that the Client might claim such right,
 - For the purpose of performance Advisor's legal obligations, especially based on obligations arising from AML act, act no. 563/1991 Sb., on accounting, as amended, act no. 235/2004 Sb., on value added tax, as amended, for the period specified in the regulations, and for 10 years after end of the provision of the tax counselling at the longest,
- 9.6.** Personal data, which is processed by the Advisor in accordance with 9.4. and 9.5., may be provided to financial and customs authorities, to the Czech Social Security Administration, health insurance companies, the Czech Statistical Office and other entities specified in the Client's instruction, when approved by the Client. To process some Client's data, the Advisor uses a processor, especially an external IT administrator and cloud service provider.
- 9.7.** The people specified in 9.4. and 9.5. shall be entitled to require access to the processed personal data, especially to receive information on processing, or a copy of personal data, which is referred to them; they shall be entitled to correct the processed personal data, which is referred to them and which is inaccurate or obsolete; they shall be entitled to enter an objection against processing of personal data, which is referred to them, if processing is based on legitimate interest or for the purpose of direct marketing; they shall be entitled to delete the personal data which is referred to them, especially if there is no legal basis for the processing; they shall be entitled to limit processing of the personal data which is referred to them, especially if correction of the data is required, or if an objection is entered against processing of the personal data; the rights may be claimed at the Advisor via contact details specified in the agreement.
- 9.8.** Furthermore, the people specified in 9.4. and 9.5. shall be entitled to lodge a complaint against Advisor's processing of the personal data to the Office for Personal Data Protection.
- 9.9.** The Client shall be entitled to receive his/her data which s/he provided the Advisor with, and the Advisor processes that electronically to process tax statements and to provide other tax counselling, in usual, structured and machine-readable format.
- 9.10.** If the Client provides the Advisor with complete and detailed instructions for the purpose of processing of tax statements, or if the Client authorizes the Advisor to keep payroll accounting, financial accounting or tax records of the Client, then in accordance with GDPR, clause 28, par. 3, the Client will authorize the Advisor to process the following, in the scope of his/her instructions and during the period of provision of tax counselling,
- Identification data, data on economic transactions and other data necessary for determination of the Client's tax obligation, which are referred to third parties, the data of which is contained in the materials handed over by the Client for the purpose of provision of tax counselling (e.g. of Client's family members, or employees for the purpose of processing of tax statements ;
 - Identification data, data on work performance and other data necessary for calculation of the salary, determination of tax obligation rate and amount of the levies, which are referred to the Client's employees and their family members, for the purpose of salary processing and keeping payroll accounting for the Client;
 - Identification data and data on economic transactions related to the Client's employees and business partners, for the purpose of the Client's bookkeeping.

Processing shall be done during the period of provision of tax counselling. Clauses 9.11. to 9.19. shall be only applied if the Client authorizes the Advisor to process the personal data in accordance with 9.10.

- 9.11.** The Advisor shall be obliged to process the personal data for the Client in the scope required for provision of tax counselling, and only in accordance with the Client's instruction specified in the agreement and herein. Without Client's instructions, the Advisor shall not be entitled to provide the personal data outside the European economic area, or to an international organization, unless such processing is required by legal regulations, which are applicable to the Advisor; in such a case the Advisor shall inform the Client on that legal requirement before processing, unless informing is forbidden by legal regulations due to public interest.
- 9.12.** The Advisor has taken and maintained reasonable technical and organizational measures to avoid unauthorized or accidental access to the personal data, change, damage or loss of the data, unauthorized transfers, other way of unauthorized processing, or other misuse of the personal data.
- 9.13.** If the Advisor during the effect of this agreement gets to know a breach of security of the personal data processed by the Advisor in accordance with the agreement, the Advisor shall be obliged to announce to the Client that personal data security was broken without unnecessary delay after the Client got to know that. Then without unnecessary delay after the moment, when the Advisor got to know about breach of the personal data security, the Advisor shall be obliged to announce to the Client in the same way description of the case of breach of personal data security, including, if possible, categories and approximate number of affected people and categories and approximate quantity of the affected records of personal data and description of probable consequences of breach of personal data security.
- 9.14.** The Advisor shall ensure that people authorized to process the personal data will undertake to keep it confidential.
- 9.15.** The Client shall agree with inclusion of other processors in processing of the personal data in accordance with clause 9. The Advisor shall be obliged to inform the Client on inclusion of other processors in processing of personal data in accordance with clause 9, if required by the Client, including specific identification of this other processor; furthermore, the Advisor shall be obliged to enable the Client to enter an objection against other processor.
- 9.16.** If the Advisor includes another processor in processing of personal data in accordance with clause 8, the other processor must place under contract that this processor shall fulfil the same obligations to protect the personal data, as those agreed between the Client and the Advisor in clause 9, especially the processor shall take appropriate technical and organizational measures.
- 9.17.** The Advisor shall enable the Client to audit the technical and organizational measures taken by the Advisor to protect personal data, after receiving notification sent at least ten (10) business days in advance.
- 9.18.** The parties have agreed to provide each other with any information required to present fulfilment of the obligations associated with protection of personal data processed in accordance with clause 9, as well as any other necessary cooperation and materials to fulfil the obligations in accordance with 9, especially when fulfilling obligations arising for the Client from security of personal data processing, when carrying out audits, when assessing the impact on personal data protection, when consulting with the supervising authority in advance, and when settling applications for enforcement of rights of the data entities. Advisor's cooperation shall be charged like the advisory services in accordance with 11. When processing the personal data, the Advisor shall respect the nature of processing.
- 9.19.** After end of the processing authorized by the Client, the Advisor shall keep the provided personal data as the Data Controller for the purpose of protection of rights based on legitimate interest in accordance with clauses 9.4. And 9.5.

10. DELIVERING

- 10.1.** Correspondence, including documents transferred between the Client and the Advisor, shall be delivered in person, by post, by courier, or using transfer methods, in accordance with conditions specified in the agreement.
- 10.2.** The Client shall deliver documents for wage processing to the Advisor 3 business days before the pay day at the latest, 5 business days before the deadline for submission of any VAT statement, 10 business days before the deadline for submission of road tax declaration and 10 business days before submission of wealth tax declaration.
- 10.3.** The Client shall deliver any relevant documents and materials for processing the income tax declaration or corporate income tax declaration to the Client 1 month before the deadline for submission of the declaration at the latest.

- 10.4. Unless otherwise specified in the agreement, a parcel sent via a postal service provider shall be considered as delivered on the third business day after sending (§ 573 CC).
- 10.5. Deliveries shall be addressed to the addresses specified in the agreement.

11. REMUNERATION

- 11.1. The Advisor shall be entitled to receive remuneration for the provided services and payment for factual expenses. The Advisor's remuneration shall be agreed in agreement in the form of hour tariffs, lump sum, administrative lump sum, fixed price or any combination of the aforementioned. The agreement may also specify another way for calculation of remuneration. Unless the amount of such remuneration is agreed in the agreement, or its annex (pricelist), then advocate's tariff shall be used reasonably.
- 11.2. If the lump sum is agreed, it shall include usual administrative costs of the Advisor, especially costs for administrative work, use of passenger car in the town where the Advisor's office is located, use of IT equipment, software, information databases, insurance, etc. In accordance with the conditions in the agreement, the lump sum may include full or limited scope of the Advisor's services in the agreed period.
- 11.3. The administrative lump sum may be agreed particularly in case of long-term representation of the Client in tax, administrative or judicial proceedings with state authorities. The administrative lump sum shall be agreed besides price for the Advisor's services, and it shall cover especially the Advisor's administrative costs associated to acceptance, filing and administration of the power of attorney, delivering of correspondence to the Client, as well as other associated minor administrative costs.
- 11.4. The lump sum and administrative lump sum do not cover payments of management and other fees, travel expenses when travelling outside the town where the Advisor's seat is located and costs for accommodation of the Advisor's workers necessary for provision of services to the Client. Furthermore, the lump sum and administrative lump sum do not cover required sub-supplies, expert opinions, translations and interpretations, transcripts of texts supplied by the Client, payments for authentication of documents and notarial fees. The lump sum and administrative lump sum do not cover administrative costs paid beyond usual Advisor's services, such as high communications fees, required extraordinary costs for copying of documents and consumable material. The Client shall pay them to the Advisor in proven amount, provided that they were used purposefully and economically.
- 11.5. Value-added tax is not included in the remuneration agreed or determined in accordance with clauses 11.1. to 11.4.; if the Advisor is obliged to pay the value-added tax, the tax shall be added to remuneration.
- 11.6. In agreed periods, the Client shall be obliged to pay to the Advisor reasonable advance payment for the remuneration and expenses, the agreed amount of the remuneration and any other payments if the Client has undertaken to do so.
- 11.7. The agreed amount of any price and fee in this clause may be changed by the Advisor every year, using the reached index of consumer price and live costs for last 12 months of the previous year. The decisive information for change of the prices and fees is the percentage of annual inflation rate, expressed by increase of the average CPI – Consumer Price Index for 12 months of the previous year as compared to the average in 12 months of the year preceding the previous year, specified in the statement of statistical survey carried out by ČSÚ. The basis for change of amount of the prices and fees is the amount of the prices and fees which was for the last time agreed in accordance with the agreement, which also includes the prices and fees changed by the index of consumer price and live costs for last 12 months of the previous. The aforementioned change of prices and fees represents a method of determination of prices and fees for next period, which conforms to § 2, clause 2, Act no. 526/1990 Sb., on prices, as amended. The amount of prices and fees is always changed with effect from January 1, and it will be reflected in payments starting from 2nd quarter of the year, together with supplementary payment of the difference caused by non-reflected prices and fees changed by the inflation index in the 1st quarter. The Advisor shall be entitled not to change the agreed amount of prices and fees with the inflation index after evaluating all the circumstances.
- 11.8. If the Client does not accept such a change of prices and fees, the Advisor may terminate the agreement. The effect of the notice shall be guided by the provisions of the agreement.
- 11.9. After termination of the agreement, the Advisor shall be entitled to process billing in accordance with the agreed price conditions. All the Advisor's receivables shall be due on the day following the date when the Client receives the billing.

12. SANCTIONS

- 12.1.** Agreement concluded between the Client and the Advisor may also include contractual sanctions. The amount of the sanctions must not be agreed contrary to law and good manners.
- 12.2.** If the Client delayed payment of the remuneration, the Advisor shall be entitled to enforce the agreed contractual sanctions, besides applying the default interest at the rate determined by the relevant legal regulations.
- 12.3.** Payment of the agreed sanction does not affect right for compensation for damages of any of the parties unless otherwise agreed.

13. CREATION AND EXTINGUISHMENT OF LIABILITIES

- 13.1.** The liabilities between the Advisor and the Client shall be created by conclusion of the agreement for provision of tax counselling.
- 13.2.** The liabilities agreed for a definite period shall expire after the agreed period elapses.
- 13.3.** The liabilities shall extinguish by fulfilment.
- 13.4.** The liabilities agreed for an in definite period may be terminated by any party. The effect of the notice shall be guided by the provisions of the agreement. The notice shall be effective on the date of delivery unless otherwise agreed.
- 13.5.** The liabilities may also be terminated by agreement.
- 13.6.** The liabilities also extinguish under the conditions specified in 3.3., 4.14. or 6.8. of GTCTC. Termination of the agreement shall be effective on the date of delivery to the Client.
- 13.7.** If the Client is a legal entity, the liabilities shall be also extinguished by dissolution of the legal entity with no successor. The liabilities shall be also extinguished by death of the Client, or the Advisor, if they are physical entities.
- 13.8.** The liabilities also extinguish if the Advisor lost the right to provide tax counselling in accordance with § 4, clause 1, the Act. The Advisor shall be obliged to inform the Client about such a fact immediately.
- 13.9.** After the liabilities extinguish, any provision of the GTCTC and the agreement remain effective, the contents of which obviously indicate that they may be applied to facts which will happen only after the end of the liabilities, if such facts arise from the agreement and GTCTC. This means especially the issues of Advisor's responsibilities, confidentiality, compensation for damages and mutual informing.