

# Terms of Engagement

These terms of engagement are intended to regulate relations between O'Hanlon Tax Limited ("OHT") and its clients, and these terms are not enforceable by any other person.

## 1.0 Advice

OHT provides Irish taxation advice and a computation and compliance service for certain foreign inheritance taxes. OHT does not advise on legal matters or on general foreign taxation issues. Tax laws and circumstances change over time, and if advice is not implemented when it is given then up-to-date tax advice should be obtained before steps are taken. The scope of the retainer will be set out in the briefing correspondence received by OHT and any advice furnished.

Tax law can be ambiguous and open to more than one interpretation, and is frequently subject to change as a result of new laws (both Irish and EU), decisions of the Irish Courts, and changes in Revenue practice. There is a risk that Revenue and/or the Courts might, on future occasions, disagree with the interpretation placed on legislation by OHT, and it should be noted that OHT is not in a position to guarantee that the firm's interpretation of tax law will be accepted by Revenue, the Tax Appeals Commission, or the Courts.

Any steps taken to secure a tax benefit may be subject to review by Revenue under the general anti-avoidance provision (S.811 & S.811C Taxes Consolidation Act 1997) or specific targeted anti-avoidance measures. OHT is not in a position to guarantee that Revenue will not seek to re-characterise transactions under the tax legislation. A taxpayer has the option to make a protective notification to mitigate the risks of the general anti-avoidance provision. As a tax advisor OHT may be obliged to report a transaction which might enable a tax advantage to be secured under sections 817D - 817R TCA 97 (mandatory reporting).

## 2.0 Anti-Money Laundering

As a tax consultancy firm OHT is required by anti-money laundering legislation to obtain identification for each client. Set out below is a list of the documents which must be provided to OHT by an individual client:-

**One Type of Photo Identification** & **One Type of Address Identification**

*Valid passport, or*

*Bank or building society statement, or*

*Valid driving licence*

*Original bill i.e. utility or local authority*

If a client has an obligation to operate anti-money laundering checks as a "relevant third party" as defined by S. 40 Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, it is a condition of the engagement of OHT that the client has complied with all anti-money laundering obligations with respect to any client matter(s) referred to OHT, and that on request the relevant information obtained from the client may be forwarded to OHT.

## 3.0 Fees

Fees are charged on a scale and are based on the time required for the work. Current charge-out rates for professional advice vary from €150 – €500 per hour (excluding VAT), depending on the level of expertise involved. Rates may be modified from time to time, and any such changes will be noted on the updated terms of engagement on the OHT website. As the fees are on a time charge basis, the fee will be lower if clients and other advisors facilitate the work by providing any information requested in a timely and organised manner.

A quotation can be provided on request, once the scope of the work has been established, but any quotations are intended as a guideline to likely fees and are not binding. If a client requires certainty on the level of fees, OHT can agree a "ceiling", so that no time charges are incurred beyond the agreed ceiling without prior consent. Fees may issue on a project basis, or on an interim basis in cases where work is likely to continue for more than one month. Payment of the fee (plus VAT) is due on issue of the invoice.

OHT reserves the right to take legal steps to collect unpaid fees and to exercise a lien over all funds, documents, and records in the firm's possession until all outstanding fees are paid in full, subject to any contrary provision in legislation or professional guidelines. Interest may be applied at a rate of 5% on any fee that is outstanding more than three months and which is not the subject of a delayed payment agreement, operating in line with the agreed terms.

## 4.0 Data Protection

OHT is required to process personal data as part of providing services to clients and OHT is committed to ensuring that your privacy is protected. OHT's Privacy Policy sets out the basis on which any personal data we collect from and about you, or that you provide to us, will be processed by us. It is assumed by OHT that all personal data provided by clients, and by other advisors on behalf of clients, has been acquired and processed in compliance with data protection legislation and is required in order for OHT to perform its contract with a client.

## 5.0 Clients' Responsibilities

As tax advice can be complex, OHT suggests that formal written advice be secured in all cases. Any comments made in meetings or discussions should not be relied upon in the absence of written confirmation, and it is the responsibility of the client to secure written advice before taking any steps. OHT relies on clients to provide accurate and timely information; advice is limited to the scope of our instructions and is given in reliance on information provided by the client.

If OHT restates background information in a letter or report, it is the client's responsibility to review the information for accuracy and to draw any inaccuracy to the attention of OHT, in case it has any impact on the taxation advice. In addition to this, if any assumptions are identified in the advice provided (in the main advice letter or report, or in an appendix) it is the client's responsibility to revert if any assumptions are not accurate. OHT will not be liable for any loss or expense arising if advice that has been given on the basis of any assumption, clearly identified as such, is not accurate because the underlying assumption is incorrect.

Any written advice provided to a client is for the client's information only, and limited to the transaction in question. Such advice should not be relied upon by any other person or for any other transaction. In addition to this, advice given should not be published or referred to in any other document without prior written permission from OHT. In the unlikely event that OHT is deemed to be secondarily liable for any tax as agent or fiduciary representative of the client, the client agrees that he/she/it will indemnify OHT for any liability, and any costs or expenses directly related to that liability. In addition, any time charges reasonably incurred by OHT in dealing with the proposed imposition of any secondary liability in relation to a client will be met by the client (together with any VAT that may arise).

## 6.0 Audit

It should be noted that taxpayers who are being audited are at risk of interest, penalties, surcharges, publication and prosecution. Revenue may publish a tax defaulter unless:

- ⇒ complete information is voluntarily furnished in relation to the matter, prior to commencement of the audit, i.e. a qualifying disclosure is made, or
- ⇒ the penalty does not exceed 15% of the amount of tax underpaid, or
- ⇒ the sum payable, including tax interest and penalties, does not exceed €35,000.

If Revenue decide to prosecute, OHT and its employees may be called upon to give evidence in relation to a client. In an audit case, if the taxpayer feels Revenue may seek to prosecute, an assurance can be sought that Revenue do not intend to initiate a prosecution, but it should be noted that any such assurance is not a guarantee of non-prosecution.

## 7.0 Limitation of Liability

Unless otherwise specified in writing OHT's entire liability, whether in contract or, under statute or otherwise, in connection with all our work done for any client will not, unless OHT has been fraudulent, exceed the lesser of €500,000 or five times our total fees charged for the matter in question (this cap on our liability shall apply to any potential liability including cases where claims of negligence or breach of contract are made).

## 8.0 Confidentiality

OHT is committed to client confidentiality, and will not release confidential client information without prior client consent, unless legally obliged to do so (it should be noted that there is limited provision for obliging advisors to release information to Revenue in certain cases).

## 9.0 Retention of Files & Papers

The firm's practice is to retain documents relating to client assignments for seven years after the end of the year in which the relevant assignment occurred. After that time all documents or papers held may be destroyed without reference to the client, unless separate arrangements have been agreed. Clients who may have an obligation to retain records longer than seven years because of Revenue enquiries must specifically request the retention of the OHT records before the end of the seven year period.

## 10.0 Applicable Law

This engagement letter is governed by the law of Ireland, and the Courts of Ireland will have exclusive jurisdiction. Clients are asked to return a signed copy of these terms for OHT records but it should be noted that once the file is opened and the terms have been received by the Client OHT will be proceeding to provide the advice requested and the client is bound by the terms in respect of that advice, unless otherwise agreed in writing with OHT.

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

Print Name: \_\_\_\_\_

Phone: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Tax Number: \_\_\_\_\_