

ENGAGEMENT AGREEMENT

TRANSFER PRICING STUDY AND DOCUMENTATION SERVICES

Date: _____

To:

Dear _____,

This letter of engagement ("Agreement") confirms the terms and conditions under which _____ ("Consultant") will provide transfer pricing consulting services to _____ ("Client") for the fiscal year ending _____.

1. Scope of Services

Consultant will assist Client in preparing transfer pricing documentation designed to satisfy the documentation requirements under _____. Specifically, the services will include:

1. **Industry and Functional Analysis:** Conducting a functional and risk analysis through interviews and review of documentation to identify the functions performed, assets employed, and risks assumed by the relevant related parties.
2. **Economic Analysis:** Performing economic benchmarking searches utilizing database resources to identify comparable independent companies and determine arm's length ranges of profitability or pricing.
3. **Report Preparation:** Preparing a Transfer Pricing Study report localizing the transfer pricing methodology, functional analysis, economic analysis, and conclusions.

2. Client Responsibilities

The timely and successful completion of the services is highly dependent on Client's cooperation and timely provision of complete and accurate financial, operational, and transactional information. Client agrees to provide:

1. All relevant intercompany agreements and organizational charts.
2. Segmented and consolidated financial statements for the period under review.
3. Access to key personnel for functional analysis interviews.

3. Fees and Billing

The professional fees for the performance of the services detailed in Section 1 of this Agreement are estimated to be _____, exclusive of out-of-pocket expenses and applicable taxes.

The fees will be billed in accordance with the following schedule:

- _____% upon execution of this Agreement.
- _____% upon delivery of the draft report.
- _____% upon delivery of the final documentation.

Invoices are payable within _____ days of receipt.

4. Limitation of Liability

The total liability of Consultant for any and all claims, losses, or damages arising out of this engagement shall not exceed the total professional fees paid by Client to Consultant under this Agreement.

5. Confidentiality

Both parties agree to keep all proprietary business information, financial data, and terms of this Agreement confidential and shall not disclose such information to any third party without prior written consent, except as required by law.

6. Term and Termination

This Agreement shall commence on the date of execution and shall continue until the services are completed, unless terminated earlier by either party giving _____ days written notice.

Please indicate your acceptance of the terms of this Agreement by signing and returning the enclosed duplicate copy of this letter.

Accepted and Agreed for:

_____ (Client)

Accepted and Agreed for:

_____ (Consultant)

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____