

“For Information Purposes”

Contract No:

Akamatsu Consulting

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This Engagement Letter will confirm our understanding of the engagement of DSB. (hereinafter also referred as “DSB” or “we”) to provide professional services to Akamatsu consulting (hereinafter also referred as “the Client”). This Engagement Letter constitutes an integrated part of the official Certified Public Accountant “CPA” (Serbest Muhasebeci Mali Müşavirlik “SMMM”) contract enforced by local professional regulations (Law No: 3568) regarding accounting services, which is also provided as an Appendix II to this Engagement Letter.

1 Objectives and limitations of services

Scope of Service

The following constitutes the scope of Accounting and Tax Outsourcing Services, for the period between 02.02.2018-28.11.2020, subject to this Engagement Letter:

a) Bookkeeping Services

DSB will maintain the legally required Turkish books of Client under the Turkish Uniform Chart of Accounts and tax regulations. The legal books to be maintained are namely:

- i) journal ledger,
- ii) general ledger,
- iii) inventory ledger

Based on the documents and information submitted by the Client, DSB will maintain the books in Turkish and in TRL, as required by Turkish regulations.

The bookkeeping function will be performed at the premises of DSB by using the DSB’s accounting software.

The Client will arrange internally the collection of the accounting related information and documentation and submission to DSB on a timely manner. The Client shall retain the ownership of the accounting documents excluding our products and working papers. These accounting documents will be delivered to the Client by the end of related corporate tax filing period.

In relation to the performance of bookkeeping services, the following are excluded from the scope of services provided by DSB and will be facilitated internally by the Client:

- Daily cash and bank management
- Preparation of payment orders to banks
- Follow up of collections and payments
- Reconciliation with customers and suppliers will be performed on quarterly base as part of the preparation and control process of quarterly advance corporate income tax returns (DSB, will not sign the customer and supplier reconciliation letters on behalf of the Client. The reconciliations with the customers and suppliers will be performed via e-mail or fax)
- Follow up inventory movements and calculation of cost of goods sold.

b) Financial Statement Preparation:

DSB will provide the financial data to Client in the form of an income statement, balance sheet in English on a monthly base.

The figures to be included in these financial statements will be derived from statutory books and records of the Client, and will be reported in local currency.

For the avoidance of doubt, DSB shall not be providing any opinion or assurance as to the accuracy of the information presented on those financial reports.

c) Tax Return Preparation Services

DSB will carry out the tax return preparation for the Client. Namely, preparation of the following tax returns will be covered in this service:

- i. Preparation of monthly VAT returns,
- ii. Preparation of monthly (or, quarterly) income withholding tax returns,
- iii. Preparation of quarterly advance corporate income tax returns,
- iv. Preparation of annual corporate income tax return and its attachments,
- v. Preparation of monthly stamp tax returns,
- vi. Preparation and follow up of other tax office related declarations (For example: Ek 12)
- vii. Preparation of monthly Ba and Bs Forms.

The preparation of the above tax returns will be based on the statutory books and records of the Client.

Further to the Turkish Procedural Tax Code General Communiqué Series No.381, the tax payers keeping their books according to “balance sheet base” (which is the statutory bookkeeping requirement for all legal entities like Limited Liability, Joint Stock Corporation and Branches) are obliged to declare their purchases and sales of goods and services which are over 5,000 TL on a monthly base through Ba and Bs forms.

Based on our above explanation:

“Ba” form presents the list of suppliers having provided the Client with goods and services during a month. On the other hand, “Bs” form indicates the list of buyers of goods and services supplied by the Client in a month.

These two forms should be submitted to the related tax office at the latest the end of following month (example: January Ba and Bs forms should be submitted by the end of February at the latest).

If there was any revision or correction needed on the related Ba and Bs forms, the Client may face important procedural tax penalties.

In order to avoid any tax penalty, it is very important that all the accounting documents of the Client are conveyed to DSB on a timely manner before the above- mentioned due date. DSB will not take any responsibility if the Client conveys the document after the submission date of Ba & Bs forms.

When transmitting documents to DSB, DSB will not be held responsible for any loss of documents during the delivery by post or courier. In order to minimize the risk, the Client can send the accounting documents with a cover sheet explaining the details of the documents being transmitted and then DSB can confirm the receipt of this list to the Client.

DSB will counter sign the tax returns of the Client as the Certified Public Accountant (SMMM) subject to the provisions of Law no 3568. For the avoidance of doubt, such signature does not in any mean constitute a tax certification or assurance. Our liability in connection with the bookkeeping and tax return preparation services shall be limited in accordance with Law No 3568 and subject to the scope limitations provided in this Engagement Letter.

The tax returns which are subject to this engagement letter will be submitted on the internet website of Ministry of Finance. DSB, as your CPA, will use its own username and password to access this internet site for e-filing and will not share this pass code with the Client. In order to be able to submit these tax filings through internet side, an Appendix to the official CPA agreement called as “Electronic Tax Filing Intermediary and Liability Agreement-Appendix 3 (Ek 3-Elektronik Beyanname Aracılık ve Sorumluluk Sözleşmesi)” will be signed as enforced by local regulations. (Appendix III)

The payment of the related taxes to the tax office will be arranged by The Client upon receiving of the timely information from DSB.

Where the above service needs to be facilitated by applying to the related offices in person, DSB will also perform the filing of these documents.

In relation to the performance of tax return preparation services, the following are excluded from the scope of services provided by DSB and will be facilitated internally by the Client:

- Preparation of annual Turkish Statistical Institute (TÜİK) forms
- Preparation of Annual Activity Report as required by Turkish Commercial Code
- Applications to the Finance Ministry for e-invoice and e-ledger (if applicable for the Client)
- Management reporting activities such as budgeting and preparation of cash flows

- Scanning the accounting documents in order to keep in electronic environment (the accounting documents will be filed and archived in printed hand copy format)
- Tax advisory services (are excluded from the scope of services provided by DSB)

2 Timetable

The time table with respect to our services shall be discussed and agreed separately with the Client. We shall use all possible endeavors to meet this timetable. To enable us to perform the services, you shall supply promptly all information and assistance and all access to documentation in your possession or control and to personnel under your control where required by us. Where a delay in provision of information causes additional time or expenses to be incurred by us in delivering the services, we reserve the right to increase our charges to cover the additional time and expense.

3 DSB resources

The engagement team will be led by Nilgün Çallıalp, Partner in charge of our Accounting and Tax Outsourcing Services and Didem Keşmir, Director in charge of our Accounting and Tax Outsourcing Services. Elif Hatinoğlu is the Senior Manager in charge of Accounting and Tax Outsourcing Services and will lead the fieldwork and will be your main contact person during the course of the engagement. We will assign a team of senior accountant and experienced assistant to undertake the engagement.

4 The fees

In consideration of the services mentioned above, the monthly service fee to be received by DSB will be 2.200 USD + VAT.

In the case of performance of services to the Client which are not covered by this Engagement Letter, DSB will receive a fee on an hourly basis charged at the rates of the personnel that are likely to perform such services.

The applicable charge-out rates for the relevant level of staff are follows:

- Assistant: 70 USD +VAT / hour
- Senior: 80 USD +VAT /hour
- Manager: 150 USD +VAT /hour
- Senior Manager: 170 USD +VAT /hour
- Partner: 300 USD +VAT /hour

VAT at applicable rate (currently at 18%) will be added to the invoices. Out of pocket expenses, such as transportation, meal, courier, correspondence bank transfer charges, maintenance of the accounting software, communication, stationary and other means are excluded from the above and will be reimbursed separately, if incurred for the performance of above services.

The invoices will be due and payable upon 15 days of the invoice date. All bank transfer charges including correspondence bank charges will be covered by the Client. In case of an unsupported default of payment, DSB retains the right to charge applicable market interest on the overdue amount.

5 Termination

Parties may terminate this Engagement Letter at any time provided that the terminating Party shall notify the other Party with 30 days prior written notice. Termination under this provision shall not prejudice the rights of Parties prior to the termination and all amounts to be paid shall be due at the time that the termination comes into force.

6 Notice and Competent Court

All notices and other communications provided under this Engagement Letter herein shall be in writing and any notice given for the purpose of putting the other party under default, termination and rescission of this Engagement Letter shall be delivered through a notary public. The addresses written in this Engagement Letter are the legal notification addresses of the Parties and the Parties accept and declare that the notifications made to the written addresses in the Engagement Letter have been made to them. If the Party whose address has changed has not notify the change in address to other Party in 7 (seven) days, notification made to prior address shall be deemed as valid.

Istanbul Central (Çağlayan) Courts and Execution Offices shall be authorized for disputes arising out of this Engagement Letter.

7 Processing of Personal Data

7.1. In accordance with the Law on the Protection of Personal Data No.6698 (“PPDL”) and relevant legislation currently in force and/or to be enter into force, “**Personal Data**” means all information relating to an identified or identifiable real person. With respect to the personal data to be collected from the Client during the negotiation and performance of this Engagement Letter;

a) **Purposes of Data Processing:** Personal data that collected may be processed by processing and updating, within the frame of personal data processing conditions and purposes specified in articles 5 and 6 of PPDL as long as the Client use products and services offered by DSB, in order to perform the necessary works by DSB specialists to benefit the Client from the products and services offered by DSB, recommend the products and services offered by DSB to the Client by customizing them according to the Client’s consumption habits and needs, provide legal and commercial security of the DSB and those in business relationship with DSB (administrative operations performing by DSB regarding communication, to provide physical security and control of the locations owned by DSB, client evaluation/complaint procedures, reputation surveys, event management, legal compliance, audit, financial transactions, etc.), determination and implementation of commercial and business strategies of DSB and exercise of data privacy policies.

b) **To Whom and For What Purposes Do We Transfer Your Personal Data:** Personal data that collected under this Engagement Letter may be transferred to business partners, suppliers and authorized persons of DSB, public authorities and private persons/entities within the frame of personal data processing conditions and purposes specified in articles 8 and 9 of PPDL in order to perform the necessary works by DSB specialists to benefit the Client from the products and services offered by DSB, recommend the products and services offered by DSB to the Client by customizing them according to the Client’s consumption habits and needs, provide legal and commercial security of the DSB and those in business relationship with DSB (administrative operations performing by DSB regarding communication, to provide physical security and control

of the locations owned by DSB, business partner/client/supplier (authorized persons or employees) evaluation process, reputation surveys, legal compliance, audit, financial transactions, etc.), determination and implementation of commercial and business strategies and exercise of human resources, business development and risk analysis policies of DSB.

c) Methodology and the Legal Ground of Obtaining Personal Data: Personal data is collected via all kinds of verbal, written or electronic means in order for DSB to provide products and services within the legal framework and to perform obligations of DSB to be fulfilled whole and complete arising out of agreement and from the law. For this reason, personal data may also be processed for the purposes specified in subparagraphs (a) and (b) under the conditions and purposes of personal data processing specified in articles 5 and 6 of the PPDL.

d) Rights of Personal Data Subject Regulated under Article 11 of the Law: Within this scope, Personal Data Subjects have right to;

- Learn whether personal data are being processed,
- Request further information if personal data have been processed,
- Learn the purpose of processing of personal data and whether personal data are being processed in accordance with such purpose,
- Learn the third-party recipients to whom personal data are disclosed within the country or abroad,
- Request rectification of personal data that is incomplete or inaccurate and to request notifying the third persons, to whom personal data are disclosed, about the rectification process.
- Despite being processed in accordance with the provisions of the Law or other related laws; request erasure or destruction of personal data upon disappearance of the grounds of the process and request notifying the third persons, to whom personal data are disclosed, about the erasure or destruction processes.
- Object to negative consequences about himself/herself that arise as a result of analysis of personal data made by solely automatic means,
- Demand compensation for the damages that he/she have suffered as a result of an unlawful processing operation.

7.2. DSB undertakes that it will process and keep the Personal Data that it collected during the performance of this Engagement Letter in accordance with Law on the Protection of Personal Data No.6698 and other relevant regulations and not to provide access to Personal Data for third parties without prior written consent of the Client. DSB shall destroy the Personal Data in accordance with the regulations when it is prescribed by law and DSB undertakes, accepts and declares to take suitable and applicable cautions to prevent the unauthorized disclosure and access to Personal Data. DSB undertakes, accepts and declares to return, delete and/or destroy the Personal Data immediately as per the Client's request in case of all kinds of termination of this Engagement Letter.

7.3. DSB may process the Personal Data of employees and real person suppliers of the Client and other third parties who are in relation with the Client whose personal data may be processed under this Engagement Letter, in scope of the performance of this Engagement Letter as per conditions stated above. It is Client's responsibility to fulfill the obligation to inform the employees and real person suppliers of the Client and other third parties who are in relation with the Client whose personal data may be processed under this Engagement Letter, in order to process their personal data under this Engagement Letter and to obtain their explicit consent. DSB will inform the Client if the person whose Personal Data is processed applies to DSB for the breach of this obligation by the Client and the Client shall fulfill its obligation within this context. In the event that DSB pays any administrative penalty because the Client does not fulfill its obligations, the Client is obliged to cover this damage of DSB.

8 General Terms of Business and additional terms

We accept this Engagement Letter on the basis that our General Terms of Business (“**General Terms**”), as set out in Appendix 1, will apply to this work and govern our relationship with you and General Terms is read/acknowledged and signed by you. There are various exclusions and limitations on our liability and associated obligations imposed on you. Through our Engagement Letter signed with you we aim to clarify your and our obligations and responsibilities and we seek to protect ourselves, other members of the DSB organization and our people. We draw your attention in particular to the following clauses of our General Terms:

Clause 4: We set out here the obligations imposed on us in respect of your Confidential Information. For our marketing or publicity purposes we are permitted to make general references to our relationship with you and to work performed for you.

Clause 7: We confirm here that our work is performed for you alone and we set out various restrictions on the extent to which you may share with others the product of our work or refer to our name. Please note that clause 7 makes the product of our work confidential and that this letter is also confidential between you and us. Any disclosure of the product of our work beyond what is permitted under clause 7, and any disclosure of this letter beyond you and us, will damage this firm’s commercial interests. A request for our consent to any such wider disclosure may result in our agreement to these disclosure restrictions being lifted in part. If you receive a request for disclosure of the product of our work or this letter, having regard to these actionable disclosure restrictions you will let us know and you will not make a disclosure in response to any such request without our prior written consent.

Clauses 18 to 23: These set out our position where your interests may conflict with our other clients’ interests and clarify our responsibilities in relation to Confidential Information (as defined in clause 4) in the circumstances identified.

Clauses 30 to 34: Herein, we set out the principal exclusions and limitations on our liability. Our liability in connection with this engagement for losses shall be limited, on the basis set out in our General Terms, with a maximum aggregate of our fees. In case you file a lawsuit against us, such lawsuit shall be filed within the prescription period stated in the legislation in Turkey.

Please confirm your agreement to and acceptance of the terms of this Engagement Letter and the attachment by signing and returning to us the copy of this agreement. If there any aspects that you wish to discuss, please let us know.

We shall be pleased to discuss this Engagement Letter with you at any time. This Engagement Letter is made at the address of the Client in [1] copy. A signed copy of this Engagement Letter will be transferred to DSB for information purposes. The Stamp Tax liability arising in connection with this engagement letter shall be paid by the Client.

Very truly yours,

DSB Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A.Ş.

Jennifer Choi

Partner

Accounting and Tax Outsourcing Services

ACCEPTED:

Akamatsu consulting

Authorized Signature

Title

Date