

Our ref: T/BRJ/087/AGV1/17

March 27, 2017

The Directors  
AgVerify Limited  
Plot 224-226 Kyeyune Road  
Kigundu zone, Kansanga  
PO Box 25525  
Kampala, Uganda

Dear Sirs,

## LETTER OF ENGAGEMENT – TAX COMPLIANCE AND PAYROLL SERVICES

### 1. Introduction

- 1.1 Thank you for appointing us as the tax advisors of AgVerify Limited (the "Company"). This engagement letter, together with the attachments (the "Engagement Letter"), sets out the basis upon which we will provide Tax and Payroll Compliance Services to the Company (the "Engagement").

This engagement supersedes any previous proposals, correspondence and understandings, whether written or oral and will stay in force unless terminated by a subsequent agreement or understanding in writing.

### 2. Responsibilities of the tax advisor

- 2.1 We will act for and be responsible for the company's Withholding Tax, Value Added Tax and Payroll compliance. We will not deal with earlier periods, nor file returns for the company's directors, unless you specifically ask us to do so and we agree under a separate letter of engagement.

### 3. Responsibilities of directors

- 3.1 The responsibility of maintaining proper accounting records and preparing financial statements, including adequate disclosure is that of the management of the company.

### 4. Personnel

- 4.1 Robert Busuulwa will be responsible for the conduct of this Engagement on our behalf. Our contact details are as follows;

Contact Person: Mr Robert Busuulwa  
Direct telephone: +256 782 604 832  
Email address: [robert.busuulwa@brj.co.ug](mailto:robert.busuulwa@brj.co.ug)

### 5. Fees

- 5.1 Our fees are calculated and have been agreed in accordance with Schedule III attached.

BRJ Advisory Services is a *Correspondent of Mazars*.

Mazars is a global professional services firm providing services based on quality and integrity. It draws Knowledge and skill from more than 13,000 professionals in 77 countries. Mazars is also a member of Praxity Alliance, which enables Mazars to operate in 14 additional countries with additional 14,000 professionals

### Schedule III – Our Fees

Our fees are based on the degree of responsibility and skill involved and the time required to complete the assignment, plus expenses.

We have agreed to fix our fees for the tax compliance services as specified in Schedule I of this Engagement Letter.

Ours fees for the provision of VAT Registration Services will be **USD100 (One Hundred United States Dollars)**.

Our Fees for the provision of Payroll Compliance Services will be **USD84.75 (Eighty Four United States Dollars and Forty Five Cents)** per month.

Our Fees for the Monthly VAT and WHT Compliance will be **USD250** (Two Hundred and Fifty United States Dollars) per month.

Our fees are exclusive of VAT, which is currently charged at 18%. If you are registered for VAT or subsequently register for VAT you will usually be able to claim the VAT back from the URA if the company is trading.

Our fees for the VAT and WHT Compliance services are based on the assumption that monthly transactions are under 200.

The fees for the Payroll Compliance Services are based on the assumption that the Company will employ less than 5(five) staff.

Where we are required to process the statutory payments on a monthly basis on your behalf, we will charge an additional fee of **USD 30 (thirty United States Dollars) per month** for processing the payments for VAT, Withholding Tax and Payroll Taxes.

Our business terms require that we bill for and receive our fees for the monthly Payroll, VAT and WHT Compliance Services on the 15<sup>th</sup> day of every month so that we can plan for our filing of the firm's VAT obligations on time.

Our fees for VAT Registration Services will be due on signing of this engagement. We will present our requests for payment and or invoices, which will be due for payment on submission.

We will notify you immediately of any circumstances which we encounter which could significantly affect our fees.

The timely completion of the tax work requires the full co-operation of your staff in the provision of records, documentation, other information and explanations relevant to the tax work. Estimates of time for completion of the tax work are given on the assumption that we receive this co-operation. We may charge additional fees and expenses which result from delays in providing this co-operation.

