

Our ref: T/BRJ/005/ISU1/18

February 5, 2018

The Directors
International School of Uganda
272 Lubowa
P. O Box 4200
Kampala, Uganda

Dear Sirs,

LETTER OF ENGAGEMENT – INCOME TAX REVIEW AND TAX SUPPORT SERVICES

1. Introduction

- 1.1** Thank you for appointing us as the tax advisors of International School of Uganda (hereafter "you" or "ISU"). This engagement letter, together with the attachments (the "Engagement Letter"), sets out the basis upon which we will provide tax support services to ISU (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. Duration of engagement

- 2.1** This engagement will lapse if either party terminates it in accordance with the terms specified herein; issuance of our final tax report or issuance of the URA's decision, whichever event occurs earlier.

3. Responsibilities of the tax advisor

- 3.1** We will review ISU's income tax computations for the period commencing July 1, 2004 to June 30, 2017 and offer tax support in the case the Uganda Revenue Authority raises an assessment from our income tax review. We will not deal with earlier periods or other tax matters unless you specifically ask us to do so and we agree.

4. Responsibilities of directors

- 4.1** The responsibility of maintaining proper accounting records and preparing financial statements and filing accurate and timely tax returns and statements with the URA including adequate disclosure thereof is that of the management of ISU.

5. Personnel

- 5.1** 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 / robert.busuulwa@mazars.ug

BRJ Advisory is a *Correspondent of Mazars*.

Mazars is an international, integrated and independent organisation, specialising in audit, accountancy, advisory, tax and legal services.

Mazars is a member of the Praxity Alliance.

Schedule III – Our Fees

Our fees have been agreed with you, 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 services as specified in Schedule I of this Engagement Letter. Ours fees are **USD 22,000 (Twenty Two Thousand United States Dollars)**. Our fees for any subsequent tax services will be revised and communicated to you annually in writing.

We will charge **USD 6,000 (Six Thousand United States Dollars)** for the URA tax audit support services in the event that the URA raises an assessment or requests a response in regards to the ISU's income tax examination computations and returns during the period under review.

This support will include all aspects covered in Schedule 2 of this engagement and will include the provision of tax compliance services for the first year only including providing quarterly ongoing reviews for the tax period July 2017 to June 2018 and into the income tax return thereof.

The quarterly reviews will address tax issues that may arise from the normal course of business and it will be accompanied with a report detailing our findings, impact of any non compliance, recommendations and tax planning where necessary.

Our fees are exclusive of VAT, which is currently charged at 18%.

Our business terms require that we receive our 50% of our fees at the commencement of the engagement. We will present our invoices, which will be due for payment within fourteen days after 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.

The small incidental and out-of-pocket expenses such as travelling, subsistence, any special telecommunications or computing charges and any other expenses which we incur while engaged on your business, whether at your premises or elsewhere will be included in our fees.