



TAX AND LEGAL ADVICE

▶ BDO - THE FIFTH LARGEST WORLDWIDE NETWORK OF AUDIT AND CONSULTING FIRMS

▶ WHATEVER TASK YOU TACKLE, OVER 60,000 HIGHLY QUALIFIED PROFESSIONALS IN MORE THAN 151 COUNTRIES ARE AT YOUR DISPOSAL



The BDO brand signifies the opportunity of a global unified network and, therefore, guarantee service quality

BDO

BDO is the fifth largest worldwide network of audit and consulting firms in terms of revenue. Each company within the network is an independent legal entity in its local jurisdiction. The BDO brand signifies the opportunity of a global unified network and, therefore, guarantee service quality so the clients can rely upon from anywhere in the world.

Our mission is to continuously respond to ever changing client needs. We were founded in 1963 when firms from the UK, Netherlands, Germany, US and Canada joined forces to share and expand their knowledge to better support clients. We were known as Binder Seidman International Group until 1973, when we adopted the name Binder Dijker Otte & Co: BDO.

The network was founded by companies from Europe, USA and Canada in 1963 to support clients' international operations and projects. Today, BDO has 60,000 employees and 1,328 offices in 151 countries and as at September 2014 had a US\$ 7.02 billion turnover.

We are committed to building close, long-lasting and effective relationships with our clients by providing first-rate services on an ongoing basis. We strive to be recognised as consultants who are truly trustworthy. Our company is structured in such a manner that our clients can always turn to senior professionals and partners. Thanks to our combination of national and international experience and expertise, we understand the needs of businesses in each country and are aware of international trends, ensuring the provision of effective and practical advice.

RANGE OF SERVICES

WE PROVIDE A FULL RANGE OF PROFESSIONAL SERVICES, WHICH INCLUDES:

OUR SERVICES

AUDIT SERVICES

- Audit of general purpose financial statements
- Audit of special purpose financial statements
- Review of historic financial information and projections
- Agreed-upon procedures
- Special purpose audit assignments

ACCOUNTING SERVICES

- Automation of accounting system
- Installation and implementation of automated accounting software
- Accounting and bookkeeping
- Expert services in the sphere of IFRS
- Consultations on accounting transactions

LEGAL ADVISORY

- Preparing legal opinions
- Legal audit (due diligence)
- Registration, re-registration, liquidation of enterprises
- Corporate law
- Real estate transactions
- Agreed-upon procedures
- Resolution of disputes in courts
- Legal support of business

TAX ADVISORY

- Tax advisory
- Tax audit (examination)
- International tax planning
- Consultation on customs legislation
- Transfer pricing
- Development of tax policy
- Resolution of tax disputes
- Taxation of individuals

VALUATION

- Valuation of real estate property
- Valuation of movable property
- Appraisal of property rights
- Business valuation

OUTSOURCING

- Accounting and bookkeeping
- Internal audit services
- Outstaffing
- Human Resources services
- Information Technology
- Corporate secretarial services

BUSINESS ADVISORY

- Strategic financial and operation management
- Corporate management
- Optimization of business processes
- Financial planning and budgeting

IT - ADVISORY

- IT audit
- Penetration testing for IT security systems
- Development of policies and procedures for IT systems
- Implementation of IT and ERP systems
- Development of Business Continuity Plan and Disaster Recovery Plan

TAX ADVISORY SERVICES



The inability to efficiently incorporate accounting developments and policies leads to increased tax costs

TAX SERVICES

The significant strengthening of tax control and the increasing demand from owners for business transparency requires management attention to issues of corporate taxation. This is particularly important in light of highly dynamic nature of tax legislation. The inability to efficiently incorporate accounting developments and policies leads to increased tax costs, errors in accounting and financial reporting and disputes with regulatory authorities.

The national tax system is characterised by a fairly high tax burden. Our experience shows that most companies' tax expenses form a significant element of the cost structure or distribution cost (an average of 10% to 40%, depending on the industry). Thus, taxes are considerable but manageable expense. Quality and professional consulting is an essential condition for prudent management of tax expenditures of an enterprise.

In order to minimise tax risks and avoid unanticipated expenses, regular tax reviews should be conducted to ensure the accuracy of tax and levy calculations as well as the quality of tax administration.

To meet our clients' expectations and achieve an adequate and accurate understanding of their tax position, we follow a customised approach to our tax reviews. The advantage of an expert assessment by the BDO tax team is the provision of a well-argued legal position on every business aspect of our client.

Core Services:

- Tax audit (review)
- Tax due diligence of acquired assets
- Tax support for the consolidation process of acquired assets into a group
- Transaction structuring
- Ongoing tax consulting on practical issues
- International tax planning
- Practical solutions of issues related to transfer pricing
- Advocacy in tax disputes
- Taxation of individuals
- Identification of tax risks for attracting finance, and consequences during a transaction
- Reduction of total costs of tax burden
- Expression of tax opinions at the request of originators of a transaction and public offerings (tax opinion)
- Due diligence of the tax stability of potential borrowers and further monitoring of their tax position
- Development and modernisation of accounting policies for tax purposes
- Consulting on Customs duty legislation



We offer our clients prompt verbal and written advice on tax issues, seeking to provide the most objective and comprehensive information

Tax Audit

During a tax audit we:

- Conduct an independent assessment of client's tax risks
- Identify the facts relating to arrears and late tax payments and highlight the grounds and circumstances of their origin
- Provide proactive legal protection of interests of our clients in Tax Committee and the Republic of Tajikistan's courts during a desk or on-site tax inspection by the tax authorities, including:
- forming a client's legal position in disputes with tax authorities on the results of off-site and documentary tax inspections;
- preparing objections to the acts of inspection by tax authorities' claims in the courts
- protecting client's immediate interests in tax authorities and courts

Independent assessment and recommendations to address tax risks are formed in the light of actual problems of taxation and local tax jurisprudence in tax disputes.

Tax Planning

One of the most sought-after services by our clients is tax planning. Making use of the advantages of bilateral agreements to avoid double taxation; tax capacities of holdings, financial and trade structures in various countries around the world; and offshore and other jurisdictions with preferential tax treatments. We can examine the legal, financial and tax aspects of our clients' activities.

Tax Review of Business Projects

Any major business transaction requires a comprehensive study of possible consequences. To this end, we:

- Accurately calculate the tax consequences of restructuring of a client's business, investment and financial projects and other major transactions; and
- Identify tax risks and ways to reduce tax load of a project

Tax Due Diligence

The main purpose of this service is to minimize the investment risk related to the acquisition of other companies. In the process of tax due diligence, we provide our clients with:

- Professional and independent assessment of the accuracy of tax liabilities of the companies under consideration for acquisition
- Information on identified risks and tax overpayments; and
- Calculation of the potential tax consequences of possible changes in a client's business following a transaction

Face-to-Face Consultations

We offer our clients prompt verbal and written advice on tax issues, seeking to provide the most objective and comprehensive information on relevant issues in light of current legislative standards, views of all interested and independent parties, and law enforcement agencies.

By expanding the variety of solutions to a problem, we always offer the optimal way based on the possible correlation of economic benefits and tax risks for the client.

Tax Accounting

As part of our service related to the tax accounting of companies, we offer our clients:

- Evaluation of the client's tax calculation system, identifying shortcomings, if any
- Advice on possible ways to improve systems
- Development of tax accounting systems tailored to the specific needs of client
- Automation of the process of tax reporting; and
- Continued support of newly-developed systems of tax accounting during their implementation and post implementation.



Direct access to the global capabilities and exhaustive experience of the BDO network ensures that our clients have exclusive support in a variety of jurisdictions and tax regimes

International Tax Planning

- Consultations on business organization in foreign jurisdictions;
- Restructuring holding companies by using the advantages of international agreements;
- Restructuring cross-border business transactions with the aim to determine and minimise the tax costs;
- Advisory support to international companies commencing work in Tajikistan; and
- Tax aspects of supply chain management during restructuring group of companies.

For the successful development of companies' transnational businesses, it is crucial to determine the optimum level of tax burden and to choose the most suitable tax regime.

Direct access to the global capabilities and exhaustive experience of the BDO network ensures that our clients have exclusive support in a variety of jurisdictions and tax regimes.

Support with Tax Disputes

- Support during tax inspections;
- Pre-trial settlement of tax disputes;
- Representation of clients' interests in any court;
- Revision of the legal position of a tax payer; and
- Assessment of the prospects of tax disputes.

In constant interaction with regulatory authorities a taxpayer frequently has to defend its position in litigation. BDO experts are always available to provide an array of services to accompany their clients through tax inspections and support them during all stages of tax disputes. We will assess the potential risks and develop a plan to minimise their negative consequences.

Taxation of Individuals

- Declaration of tax obligations of Tajik citizens as well as foreign nationals;
- Consultations on taxation of Individuals;
- Consultations on labor and migration legislation for hiring foreign nationals in the Republic of Tajikistan;
- Tax planning for Individuals, advice on how to make use of existing double-taxation treaties; and
- Structuring and management of private property.

Hiring of foreign nationals often leads to difficulties with legal aspects of their employment contracts, such as registration with migration authorities and taxation issues. Foreign companies that wish to work in Tajikistan have to go through certain procedures to obtain permission to employ non-residents.

For transnational companies and holdings we offer services that are directed at implementing global plans for employee remuneration. We analyze such plans according to the norms of tax legislation and develop more effective ways to realize them in Tajikistan.

LEGAL ADVICE



**Thinking about starting a business in Tajikistan?
BDO offers a full range of services for fully-fledged
businesses as well as for startups**

Legal Advice

As a result of geographic expansion of businesses and business-partnerships, companies are increasingly faced with issues related to the application of foreign laws, foreign participation in arbitration proceedings or the need for compulsory enforcement of foreign court decisions in Tajikistan. Our legal team, using competence of firms participating in the BDO network, offers legal support to clients on matters relating to foreign law in most countries of the world.

Core Services:

- Corporate law
- Labour law
- Real estate business
- Legal support for transactions
- Mergers and Acquisitions (including international)
- Litigation
- Development of regulations
- Public-Private Partnerships (PPP)
- Legal support for businesses
- Legal support for anti-crisis measures
- Registration, re-registration, and liquidation of businesses

Legal Support for Transactions

Support for transactions usually include the following assistances:

- Structuring relations with suppliers and contractors;
- Conducting a comprehensive review of object and/or subjects of transactions (due diligence);
- Identifying main terms of transactions and ways to reduce liabilities;
- Agreeing terms of transactions between parties;
- Development of optimal contractual structures and schedules of transactions;
- Providing recommendations for the choice of applicable law and the order of settling disputes;
- Identifying risks and measures to minimise them;
- Participating in negotiations; and
- Monitoring the execution of terms of transactions.

Working with Accounts Payable and Receivable

The BDO team will conduct a complete analysis of debt structure and depending on the situation, offer the most effective ways to solve the problems. If necessary, we are also able to provide debt collection services or represent the interests of a client in court or provide mediation services in the settlement of disputes.

We work out practical recommendations to minimize the legal risks and implications of current and strategic management decisions in today's economic environment.

CORPORATE LAW SERVICES



Consultations on civil, forex, customs, and other branches of law are provided by highly-qualified consultants via a “question-answer” approach

Corporate law services

The traditional services in the field of corporate law are:

- company restructuring;
- legal support for incorporation and termination of activities of foreign companies in the Republic of Tajikistan;
- acquisition of assets and shareholdings;
- preparation of companies for attracting debt and equity investment;
- listing on a stock exchange (IPO); and
- structuring and legal support for M&A transactions.

Advice on Issues Relating to Various Fields of Law and Issuance of Legal Opinion

Consultations on civil, forex, customs, and other branches of law are provided by highly-qualified consultants via a “question-answer” approach.

Legal conclusions may have different aims, nevertheless, they all take into account the expression of opinion on the compliance of business transactions and operation with the current legislation, special legislation, the founding documents and the aims of an organisation. Besides that, conclusions contain information about existing risks and barriers, ways to overcome them and, of course, our recommendations.

Advice on Labour Issues

Our specialists independently or alongside clients’ HR departments, can assist in settling collective and individual employment disputes and analyze legal aspects of employment contracts. If necessary, we can help to obtain the necessary permissions from local authorities to hire foreign labour and develop local normative acts to regulate employee-employer relationships.

Participation in Negotiations and Representation in Courts and Government Bodies and Administrations

We have extensive experience representing business interests in negotiations as well as in protecting the interests of our clients in front of the government and in all levels of courts.

Development of Regulatory and Normative Acts and Support in the Process of Implementing Changes in Legislation

To maintain the required level of competitiveness, there is a need for new ways and solutions, which are very often ignored by the legal and regulatory framework. The advisor’s task is to identify gaps and propose required amendments to the current legislation which should be done in such a way that both public and private interests are taken into account.

► CLIENTS

BDO serves leading companies in all sectors of the economy, including multinational corporations and world's leading financial institutions, which vary in size and ownership structure.

We help our clients not only by promptly responding to changes in the national and world economies, but also to adapt in new market conditions. Our success in implementing complex and large-scale projects, as well as use of advanced technologies, enable BDO to work effectively with large, medium and small organizations.

International Clients

- AEG
- Asian Development Bank
- Bank of America
- Barclays
- British Telecom
- Chrysler
- Credit Suisse
- Daewoo Electronics
- Deutsche Telekom AG
- Islamic Development Bank
- EBRD
- Electrolux
- Ericsson
- Fujitsu Consulting Ltd
- Google
- HSBC Holdings
- Intercontinental Hotel Group
- Kodak Limited
- Karcher
- Lufthansa
- MAN
- Marriott Europe
- Radisson
- Royal Bank of Scotland Group
- Sheraton
- Siemens
- Societe Generale
- Sun Systems
- State Bank of India
- Tetra Pak
- Toshiba
- T-Mobile
- Visa
- Vodafone
- World Bank

Clients in CIS Countries

- Auto VAZ
- Alfa-Bank
- 36.6 Pharmaceutical Network
- AFK «Systema»
- Aeroflot
- Bazovy Element
- Bank of Moscow
- Vnesheconombank
- VTB
- Gazprom
- Gazprom Neft
- GC «Rosnanotech»
- KNAUF
- «Sukhoi» Company
- LUKOIL
- M. Video
- Metalinvest
- MTC
- NLMK
- JSC «RZD»
- OGK-2
- Rosneft
- RUSAL
- Saving Bank of Russia
- Svyazinvest
- Sedmoi Kontinent
- Surgutneftegaz
- SU EC
- TGC-1
- TNK-BP
- Transmashholding
- FSK EES

Clients in the Republic of Tajikistan

- OJSHC «Barki Tojik»
- JSCC «Tojiktransgas»
- OJSC «Sangtuda-1»
- OJSC «Pamir Energy Company»
- OJSC «Rogungesstroy»
- Branch of Total E&P Tajikistan B.V.
- OJSC «Orienbank»
- CJSC «Bonki Rushdi Tojikiston»
- CJSC «First Microfinance Bank»
- MDO «Finca»
- MDO «Arvand»
- MLO «Humo and Partners»
- MDO «Bovari va Hamkori»
- OJSC «Agenstvo Vozdushnykh Soobsheniy»
- CJSC «Telecom Technology»
- LLC «Huawei Technologies, Tajikistan»
- Representation of «Alcatel Trade International AG»
- Serena Hotel in Dushanbe
- Hyatt Regency Dushanbe
- World Bank Projects
- Asian Development Bank Projects
- Projects of the Islamic Development Bank
- European Union Projects
- Swedish Agency for Development Projects
- GIZ
- Aga Khan Foundation in Tajikistan
- Red Crescent Society of Tajikistan
- Dushanbe International School
- Ministry of Finance of the Republic of Tajikistan
- Ministry of Health of the Republic of Tajikistan
- ACTED
- Caritas
- Netherlands Red Cross

► WHY CHOOSE US?

- BDO's International recognition and excellent reputation in professional services
 - Support of unified standards of quality throughout the world due to strict control procedures and risk management
 - Global knowledge base
 - 52 years of presence on the international market
 - Unique BDO methodology for providing professional services
 - Vast experience in supporting growing national companies
 - Highly-qualified professionals with significant industry experience having national and international qualifications
 - Industry-oriented service provision, extensive database of customized solutions
 - Understanding client needs, readiness to achieve goals with the client, responding promptly to changes in market conditions
 - Proximity to the client: established channels of communication, detailed project planning in close collaboration with the client
 - Concept of providing services to the client that involves the direct involvement of partners in addressing client problems
 - BDO challenges the market model, offering completely new solutions to overcoming existing obstacles
 - BDO helps clients achieve their goals in volatile and unpredictable business environments
 - BDO is preferred by those who aspire to be one step ahead in a fast-growing and dynamic economy
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INFORMATION AND CONTACTS

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Despite the fact that this publication is carefully prepared by the company's specialists, it can only be referred to for general guidance regarding the topics therein. It is not recommended to use this publication as a professional consultation on a particular issue. Before taking any action or decision, it is advisable to arrange a professional consultation with an expert. BDO and its affiliates are not responsible for any losses and damages incurred as a result of actions and decisions which were based on the information in this publication.

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