



Healy Consultants



Russia Representative Office Invoice

Client to provide

Company Reg. No.: 921530

Address to be provided

Date: Friday, February 26, 2016

Invoice No: 2016 – 06 – 003p

Professional services for Russia representative office	Notes	Year 1 US\$	Year 2 US\$
Russia representative office formation fees	1.	6,800	0
Representative registered office fees	2.	1,100	1,100
Estimate of Russia Government registration fees	3.	110	110
Russian representative bank account opening fees	4.	2,550	0
Project Management fees for two-month engagement	5.	3,950	0
Tax and VAT registration fees	6.	750	0
Estimate of annual accounting and tax fees	7.	3,500	3,500
Total Healy Consultants fees payable this month	8.	18,760	0
Estimate of total Healy Consultants fees payable after 12 months	9.		4,710

Note: this invoice needs to be tailored for each Client. The above services and fees represent the average requirements of our Clients. I recommend you carefully read the notes below to confirm and understand all services required by your Firm, eliminating the risk of unwanted fee surprises during the engagement;

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Notes to invoice above

1. Healy Consultants' fees to legally register our Clients' Russian representative within [eight weeks \(click link\)](#), by **i)** choosing the optimum regulatory license for our Client's business activities; **ii)** reserving a representative name with [EGRUL](#); **iii)** settling our accountant and lawyer fees and **iv)** preparing a high quality representative incorporation application for [EGRUL](#);
2. In accordance with the [Federal Law on Companies \(click link\)](#), a Russian representative shall as from the date of its incorporation have a legal registered office in Russia, to which all official Government communications and notices may be addressed. To comply with this statutory requirement, Healy Consultants Russia business office will be the registered office address for your Russia Representative. Thereafter, this address will be used to receive Government correspondence including **i)** preparing and filing the legal annual return; **ii)** securely maintaining representative records; **iii)** liaising with the Russia government on our Client's behalf; **iv)** legal filing of changes of corporate structure; and **v)** reminding our Client of statutory deadlines;
3. This fee is an estimate of Government costs payable during your Firm's engagement. All Government fee payments will be supported by original receipts and invoices. Examples of Government costs include **i)** reserving the representative name; **ii)** obtain the certificate of incorporation from the [Unified Centre of State Register of Legal Entities](#) (EGRUL); **iii)** register for [Social Insurance Fund](#) and **iv)** register with [Federal Tax Office](#). Following engagement completion, Healy Consultants will refund our Client any excess of funds received over actual Government costs paid;
4. Healy Consultants will be pleased to open a Russian representative bank account. It is a time consuming task, Healy Consultants will shelter our Client from the administrative challenges. As you can appreciate, it is a difficult task to obtain bank account approval through a newly formed representative, when shareholders and directors and bank signatories reside overseas. Unfortunately, only Director(s) of companies can become a bank signatory of a Russian bank account. Consequently, all bank signatories are required to obtain work permit in Russia. All Russian banks will also request the bank signatory to sign in front of the bank officer. Consequently, travel to Russia is compulsory, no exceptions. Healy Consultants will prepare a business plan for the bank to optimize the probability of representative bank account approval;

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If our Client is not comfortable with only a Russian representative bank account, Healy Consultants will be pleased to open [an international representative bank account \(click link\)](#) outside of Russia. Examples include New York, Liechtenstein, Germany, Bulgaria, South Africa, Singapore, London, South America or Dubai. All banks will be top tier banks in these countries with excellent internet banking services. Example of our global banking partners include HSBC, Standard Chartered Bank, Citibank, Barclays, Commerzbank, Bank of China, Sberbank, Standard Bank, UBS, Credit Suisse;

The banks enjoys ultimate power of approval of representative bank account applications. Consequently, guaranteed success is outside of Healy Consultants' control. What is inside our control is the preparation and submission of a high quality bank application that maximizes the likelihood of approval. To date, we enjoy a 100% approval record because of [our global banking relationships](#) and determination;

Global banks continue to tighten representative bank account opening procedures, their internal compliance departments completing more thorough due diligence of Clients. Consequently, our Clients should expect the bank account approval period to take up to 4 weeks. Furthermore, global banks now require evidence of proof of business in the country where the representative bank account will be, including sales contracts or lease agreement;

5. This cost includes Healy Consultants fees to thoroughly research and plan Russia business set up for our Client including **i)** payment of retainer fees to multiple lawyers, accountants and other consulting firms **ii)** preparation of a detailed project plan with timelines **iii)** time taken to determine the optimum Russia representative structure, including preparation of a detailed comparison table of entities **iv)** ascertain the specific accounting, tax, legal and compliance considerations **v)** finding solutions to [challenges that occur](#) throughout the engagement and **vi)** completing a detailed, 23-page engagement strategy document from all of the above;

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Healy Consultants project management fees also include the time taken to devise the strategies as to how to **i)** minimise the engagement period; **ii)** complete the engagement without our Client travelling; **iii)** avoid the need for a specific regulatory license and **v)** secure a virtual office address with minimum cost;

This cost also includes Healy Consultants fees to efficiently and effectively [project manage \(click link\)](#) and timely complete the our Client Russian engagement including: **i)** collating and supervising the legalization and attestation of all documents **iii)** [weekly detailed engagement status updates](#) to our Client **iv)** weekly Friday conference call and **v)** find solutions to unexpected challenges that present themselves throughout the engagement. In summary, setting up a business in Russia is difficult and time consuming;

The Russian LLC registration is a long and complicated process for foreign investors. Healy Consultants will liaise with multiple independent lawyers and accounting firms to ensure that **i)** your Firm complies with Russia commercial regulations **ii)** your Firm's interests are well protected and **iii)** your Firm enjoys all possible tax benefits;

6. In accordance with the [Tax Code of the Russian Federation](#), each resident company needs to register for tax and VAT at the [Federal Tax Service](#);
7. For an active trading representative, these [accounting and tax](#) fees are an estimate of Healy Consultants fees to efficiently and effectively discharge your annual representative accounting and tax obligations. Following receipt of a set of draft accounting numbers from your representative, Healy Consultants will more accurately advise accounting and tax fees. For a dormant company, Healy Consultants fees are only US\$950;
8. All fees quoted in this invoice correspond to fees quoted [on Healy Consultants' website](#). Please review this invoice carefully to identify errors. During the rush of the business day, it is possible that Healy Consultants inadvertently made fee calculation errors, typing errors or omitted services or omitted historic fee payments from Clients. In the unfortunate event you identify invoice errors, please revert to me directly re the same. I apologize in advance if I or my staff made invoice errors;



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9. Assuming our Clients re-engage Healy Consultants in year 2, this fee is an estimate of the fees payable next year, 12 months after the date of representative registration;
10. To assist our Clients to minimize foreign exchange costs, we offer the payment in SG\$, Euro, Pounds or US\$. Kindly let me know in which currency your Firm prefers to settle our fees and I will send an updated invoice, thank you;
11. The fees quoted in this invoice are a prediction of the fees required to efficiently and effectively complete this engagement in a timely manner. If during the engagement Healy Consultants realizes that the project is more complex than anticipated, requiring a large additional investment of time, my Firm will revert to request additional fees. If Healy Consultants completes the engagement faster and more easily than expected, Healy Consultants is happy to refund some fees to our Client;
12. In accordance with the [Federal Law on Limited Liability Companies 08.02.1998 \(click link\)](#), there is no minimum issued share capital required for Russian representative offices;
13. Representative office business activities are limited to **i)** market research; **ii)** Client after sales support and **iii)** promoting the business of the parent company and **iv)** research and development. The Representative office is free of corporation tax, but must register for VAT. A Representative office can **i)** lease office premises and **ii)** but cannot issue sales invoice to Clients' nor **iii)** sign local sales. A Representative office cannot import and export goods. The permit to operate a Representative office is 3 years , but can be renewed;
14. In accordance with the [Federal Law on Limited Liability Companies 08.02.1998 \(click link\)](#), every Russian representative director must have a russian work permit. It takes at least 4 months to secure work permit approval. To efficiently and effectively secure representative registration in a timely manner, most of our Clients request Healy Consultants to appoint a temporary nominee resident director. If required, Healy Consultants resident director service fee amounts to US\$9,950 per annum;

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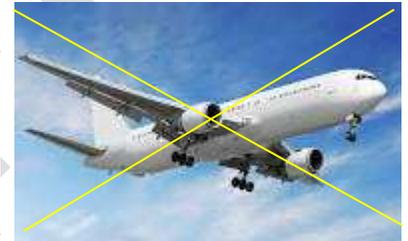
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Furthermore, every bank signatory of a Russian representative bank account must hold a Russian work visa. Consequently, we recommend our Clients' to appoint a resident director who will also be the bank signatory. Thereafter, Healy Consultants will help our Client secure a Russian work visa for our Client. If required, Healy Consultants resident director service fee amounts to US\$9,950 per annum;

15. If our Client and Healy Consultants properly plan this engagement, our Clients' will **not** have to travel during this engagement. Healy Consultants will efficiently and effectively and aggressively complete representative registration and representative bank account opening in a timely manner without our Client's presence. Instead, our Client will need to **i)** sign and get documents legalized in the embassy in their country of origin and **ii)** courier the originals to Healy Consultants office;



16. If required, Healy Consultants will be pleased to assist your firm obtain business [visa](#) approvals. Our fee is US\$4,950 for the first employee, US\$3,950 for the second employee, US\$2,950 per employee thereafter. Our employee visa fees includes preparation of a quality visa application and submitting to the correct Government immigration officers. The Government enjoys ultimate power of approval of visa applications. Consequently, guaranteed success is outside of Healy Consultants' control. What is inside our control is the preparation and submission of a high quality immigration visa application that maximizes the likelihood of visa approval;

17. The representative suffers a corporation tax of 20%. A representative office can **i)** lease office premises and **ii)** issue sales invoice to Clients (tolerated by the authorities if corporate income tax is paid) and **iii)** sign local legal contracts as part of the parent company. A representative can import and export goods. The maximum operations permit lasts 3 years, but can be renewed;

18. Monthly, quarterly and mid-year Government tax obligations include **i)** monthly payroll reporting and **ii)** monthly and quarterly VAT and corporation tax return filing. If you need our help, Healy Consultants can complete monthly Government reporting for a monthly fee of US\$960. Healy Consultants monthly support will include **i)** receive in dropbox the monthly invoices from our client **ii)** label monthly bank statement transactions **iii)** preparation and submission of VAT returns **iv)** monitor monthly profit levels to minimize tax **v)** submission of monthly employee payroll reporting;

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19. It is important our Clients are aware of their personal and representative tax obligations in their country of residence and domicile. Let us know if you need Healy Consultants help to clarify your local and international annual tax reporting obligations;
20. During the engagement, shareholders and directors' documents may need to be translated into the local language; before the Government and Bank approves representative registration and representative bank account opening respectively. Consequently, our Client should budget for possible additional translation and embassy attestation fees. Either our Client or Healy Consultants can complete this administrative task;

As always, Healy Consultants will negotiate with all third parties to eliminate or reduce additional engagement costs. For transparency purposes, all third party fee payments will be supported by original receipts and invoices. Examples of possible third party payments include **i)** embassy fees **ii)** notary public costs **iii)** official translator fees;

21. Some of our Clients' require an [immediate country solution](#). With this strategy, within a day Healy Consultants can supply our Client **i)** an existing dormant Russia representative number and **ii)** an already approved Russia corporate bank account number and **iii)** a business address. Turnkey solutions are attractive to those entrepreneurs who wish to immediately close a country deal, sign a contract or invoice a customer;
22. As stipulated on our [business website](#) and in section 3 of our engagement letter, Healy Consultants will only commence the engagement following **i)** settlement of our fees and **ii)** completion and signing of our legal engagement letter;
23. Healy Consultants will only incorporate your representative after 75% of [due diligence documentation](#) is received by email. Healy Consultants will only open a representative bank account after 100% of the Client's original due diligence documentation is received by courier;
24. During the annual renewal engagement with our Client, our in-house [Legal and Compliance Department \(click link\)](#) reviews the quality and completeness of our Client file. Consequently, Healy Consultants may revert to our Client to ask for more up to date [due diligence documentation](#);
25. Some of our Clients' engage Healy Consultants to [recruit \(click link\)](#) local employees. We have a lot of experience in this area and we are quite skilled at securing quality candidates for our Clients';



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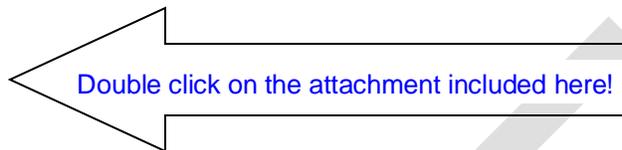


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26. To efficiently and effectively complete your engagement in a timely manner, we recommend your Firm transfers these funds to Healy Consultants corporate bank account. Thereafter, our Incorporation and Banking Team will aggressively advance your engagement, providing your Firm daily feedback as to engagement status. I would be grateful if you email us the bank transfer advice slip to enable my Accounting Department to accurately and timely identify bank receipts:



Thank you for your business and we look forward to working closely with you over the coming weeks as we engineer your Russia corporate structure.

Best regards,

Aidan Healy

Aidan Healy

[Business owner](#)

Healy Consultants Group

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