

## Philippines Representative Office invoice

Client to provide

Address to be provided

Date: Wednesday, April 18, 2018

Company Reg. No.: 921530

Invoice No: 2018 – 004 – 020p

Professional services for <u>Philippines</u> RO (without travel)	Notes	Year 1 US\$	Year 2 US\$
Philippines <u>representative office registration</u> fees (without travel)	1.	5,350	0
Assistance to find physical office space in Manilla (one time fee)	2.	950	0
Philippines <u>resident agent</u> fees	3.	1,450	1,450
Estimate of <u>Government license registration</u> fees	4.	1,150	350
Philippines RO <u>bank account opening</u> fees (without travel)	5.	4,950	0
Philippines tax registration fees	6.	750	
Estimate of annual <u>accounting and tax</u> fees	7.	0	2,300
Healy Consultants engagement <u>project management</u> fees	8.	4,250	0
<b>Total</b> Healy Consultants fees payable this month	9.	<b>18,850</b>	0
<b>Estimate of funds payable in 12 months' time</b>	10.		<b>2,300</b>

**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 within the attached draft invoices to confirm and understand all services required by your Firm, eliminating the risk of unwanted fee surprises during the engagement;

## Philippines Representative Office invoice

### Notes to invoice above

1. Healy Consultants' fees to efficiently complete Philippines RO registration within [ten weeks](#) by **i)** reserving a RO name with [Securities and Exchange Commission](#) (SEC); **ii)** settling our accountant and lawyer fees and **iv)** preparing a high quality RO registration application for [SEC](#);

All [engagement fees](#) (click link) are agreed and paid up front and agree to published on our country web pages. Consequently, there are no hidden fees, or ambushes throughout the engagement. All engagement deadlines are a front in the form of a [detailed project plan](#), mapping out [deliverables](#) by week throughout the engagement term;



Every week during the engagement, Healy Consultants will email our Client a [detailed status update](#). Our Client is immediately informed of engagement problems together with solutions. Your dedicated engagement manager is reachable by phone, Skype, live chat and email and will communicate in your preferred language;

2. In accordance with the [Corporation Code of the Philippines](#), each Philippines RO office must appoint a resident agent, who may be a natural person or a body corporate, but must be resident in Philippines. Healy Consultants will be the Philippines resident agent for our Client and our annual responsibilities include **i)** preparing and filing the legal annual return; **ii)** securely maintaining RO records; **iii)** liaising with the Philippines government on our Client's behalf; **iv)** legal filing of changes of RO 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 RO office name with the [Securities and Exchange Commission](#) (SEC), **ii)** preparation of RO office documentation with Securities and Exchange Commission (SEC), **iii)** registration with the local Government Units (Barangay, Mayor's Office) where your business is located and **iv)** registering the RO office with the [Bureau of Internal Revenue](#) and Social Security System. Following engagement completion, Healy Consultants will refund our Client any excess of funds received over actual Government costs paid;

## Philippines Representative Office invoice

4. Healy Consultants will be pleased to open a Philippines bank account for the RO without our Client needing to travel. 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 RO, when the parent company and directors and bank signatories reside overseas. Healy Consultants will prepare a business plan for the bank to optimize the probability of RO bank account approval. Depending on our Client business and nationality, there is a 20% probability the banks will request a bank signatory to travel for a one hour bank interview. Healy Consultants will try its best to negotiate with the bank for a travel exemption. If our Client must travel to Philippines for RO bank account opening, Healy Consultants will refund our Client US\$950;

If our Client is not comfortable with only a Philippines corporate bank account, Healy Consultants will be pleased to open [an international corporate bank account](#) (click link) outside of Philippines. Examples include New York, Germany, Liechtenstein, Austria, Bulgaria, South Africa, Australia, 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, Standard bank, ANZ bank, VTB bank, UBS, Credit Suisse;

The banks enjoy ultimate power of approval of corporate 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 application; maximizing the probability of approval.;

Global banks continue to tighten corporate 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 from the submission of a complete quality application. Furthermore, global banks now require evidence of proof of business in the country where the corporate bank account will be, including sales contracts or lease agreement;



## Philippines Representative Office invoice

5. For an active RO, these [accounting and tax](#) fees are an estimate of Healy Consultants fees to efficiently and effectively discharge your annual RO accounting obligations. Following receipt of a set of draft accounting numbers from Healy Consultants will more accurately advise accounting and tax fees. For Healy Consultants fees are only US\$950;



6. In accordance to the Philippines [Tax Code](#), each representative office must register for tax at the [Bureau of Internal Revenue](#). The annual sales threshold for VAT registration is PHP 1,919,500;
7. This cost includes Healy Consultants fees to thoroughly research and plan Philippines RO 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 corporate 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;

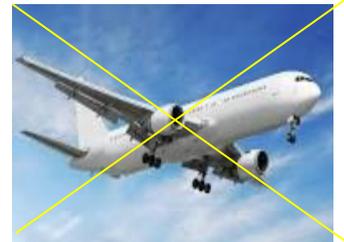
This cost also includes Healy Consultants' fees to efficiently and effectively [project manage](#) and timely complete our Client's engagement including **i)** injecting the paid up share capital on our Client's behalf and **ii)** collating and supervising the legalisation and attestation of all documents **iii)** weekly detailed [engagement status updates](#) to our Client and **iv)** weekly Friday conference call and **v)** finding solutions to unexpected challenges throughout the engagement;

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)** protect our Client's interest **iv)** minimise tax using a freezone (when applicable) and **v)** avoid the need for a regulatory license;

Philippines RO 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 commercial regulations **ii)** your Firm's interests are well protected and **iii)** your Firm enjoys all possible tax benefits;

## Philippines Representative Office invoice

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 made invoice errors;
9. Assuming our Clients re-engage Healy Consultants, this fee is an estimate of the fees payable next year, 12 months after the date of representative office registration this year;
10. The fees quoted in this invoice are a prediction of the fees required to 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;
11. 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;
12. Before RO registration is complete, the Philippines Government must review and approve a lease agreement for office premises. If your Firm requires this service from Healy Consultants, our one-time fee amounts to US\$950. The monthly rent thereafter will be paid independently and directly to the landlord by our Client. An estimate of such a rental for a shared office space for one person amounts to US\$350 per month;
13. In accordance with [Sections 14.6 and 23 of the Philippines Corporation Code](#), every Philippines representative office shall have at least one individual country representative ordinarily resident in the Philippines. If required, Healy Consultants will be pleased to provide your Firm with a passive nominee representative in the Philippines. Our fee amounts to US\$4,600 per annum;
14. If our Client and Healy Consultants Group PLC properly plan this engagement, our Clients will **not** have to travel during this engagement. Healy Consultants will efficiently complete RO registration and corporate bank account opening in a timely manner without our Client 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;



## Philippines Representative Office invoice

15. A representative office in the Philippines requires an initial remittance of at least US\$30,000 in order to fund its operations. This capital can only be used in Philippines and cannot be remitted to another country. In addition, a filing fee of 0.1% of the remittance amount is payable to the Philippines government;
16. Representative office business activities are limited to **i)** market research; **ii)** Client after sales support and **iii)** promoting the business of the parent company. The Representative office is free of corporation tax. 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 life of the Representative office is not limited;
17. If required, Healy Consultants will be pleased to assist your firm to secure employee [visa](#) approvals. Our fee is US\$3,950 for the first employee, US\$2,950 for the second employee, US\$1,950 for the third employee; and US\$950 per employee thereafter. Our 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;
18. Healy Consultants' fees to complete monthly bookkeeping services for our Client is US\$950/month. This fee is an estimate based on the average fees we charge our Clients with up to 3 employees and with minimal transactions. Only after we complete the first 2 months bookkeeping can Healy Consultants accurately advise future monthly book keeping fees. The book keeping fees quoted in this invoice are a prediction of the fees required to efficiently and effectively complete this task in a timely manner. Healy Consultants fees for monthly VAT filing amounts to US\$250 per month. Our fee to provide your Firm for payroll processing for 3 employees amounts to US\$700 per month;
19. 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;
20. Healy Consultants will only incorporate your RO after 75% of [due diligence documentation](#) is received by email. Healy Consultants will only open a corporate bank account after 100% of the Client's original due diligence documentation is received by courier;

## Philippines Representative Office invoice

21. Engage Healy Consultants to [project manage](#) business set up in every country on the planet. We are the best in the [world](#) at what we do, timely completing [the A to Z](#) of every country engagement;
22. It is important our Clients are aware of their personal and corporate 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;
23. During the engagement, shareholders and directors' documents may need to be translated into the local language; before the Government and Bank approves RO registration and corporate 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;

24. Some of our Clients require an [immediate country solution](#). With this strategy, Healy Consultants can supply within two weeks to our Client **i)** an existing dormant company number and **ii)** an already approved 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;
25. 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](#);
26. Some of our Clients engage Healy Consultants to [recruit](#) local employees. We have a lot of experience in this area and we are quite skilled at securing quality candidates for our Clients';
27. 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.

## Philippines Representative Office invoice

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

Best regards,

*Aidan Healy*

---

Aidan Healy

[Business owner](#)

Healy Consultants Group

**Tel:** (+65) 67350120 (direct)

**Address:** Unit 9, Albulario Bldg. II Gen. Maxilom Ave., Cebu City Philippines

**Skype:** healyconsultants

### **Confidentiality Notice**

This transmission and accompanying files contain confidential information intended for a specific individual and purpose. This transmission is private and confidential. If you are not the intended recipient, you are hereby notified that any disclosure, copying or distribution or the taking of any action based on the contents of this information is strictly prohibited. Please contact the sender if you have received this mail and you are not the intended recipient.

### **Document and Attachments**

This document was prepared through Microsoft Word 2013 and attached documents were created through Microsoft Word 2013 and Adobe Acrobat 11. If you are unable to accurately and completely read this document and open the attachments, kindly advise us and we will gladly resend the information to you in a different format.