

Fc 028335

In accordance with
Regulation 32 of the
Overseas Companies
Regulations 2009

OS AA01

Statement of details of parent law and other information for an overseas company



Companies House

100017120

☒ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law

☐ What this form is NOT for
You cannot use this form to reg
an alteration of manner of com
with accounting requirements

TUESDAY



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A32

07/01/2014

#5

COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of
overseas company ①

Teledyne Dalsa GMBH

UK establishment
number

B R 0 1 3 5 8 1

→ Filling in this form

Please complete in typescript or in
bold black capitals

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited

Legislation ②

German commercial code

② This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box

☐ No Go to Section A3

☒ Yes Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3

③ Please insert the name of the
appropriate accounting organisation
or body

Name of organisation
or body ③

German Accounting Standards Committee

A3 Accounts

Accounts

Have the accounts been audited? Please tick the appropriate box

☒ No Go to Section A5

☐ Yes Go to Section A4

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OS AA01

Statement of details of parent law and other information for an overseas company

A4

Audited accounts

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box

☐ **No** Go to **Part 3 'Signature'**

☐ **Yes** Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**

1 Please insert the name of the appropriate accounting organisation or body

Name of organisation or body **1**

A5

Unaudited accounts

Unaudited accounts

Is the company required to have its accounts audited?

Please tick the appropriate box

☒ **No.**

☐ **Yes**

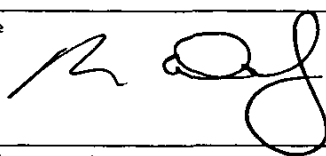
Part 3

Signature

I am signing this form on behalf of the overseas company

Signature

Signature

X  X

This form may be signed by
Director, Secretary, Permanent representative

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name C Loosley

Company name Lewis Brownlee

Address Avenue House

Southgate

Post town Chichester

County/Region

Postcode P O 1 9 1 E S

Country

DX

Telephone



Checklist

We may return forms completed incorrectly or with information missing

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register
- ☐ You have completed all sections of the form, if appropriate
- ☐ You have signed the form



Important information

Please note that all this information will appear on the public record



Where to send

You may return this form to any Companies House address.

England and Wales

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ
DX 33050 Cardiff

Scotland

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post)

Northern Ireland

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG
DX 481 N R Belfast 1



Further information

For further information, please see the guidance notes on the website at www.companieshouse.gov.uk or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.companieshouse.gov.uk



Report

Financial Statements as of December 31, 2012

Teledyne DALSA GmbH

Krailling

(until August 30, 2012 Grobenzell)

KPMG AG
Wirtschaftsprüfungsgesellschaft

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07/01/2014
COMPANIES HOUSE

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Teledyne DALSA GmbH
Report
Financial Statements 12/31/2012

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Teledyne DALSA GmbH
Report
Financial Statements 12/31/2012

To Teledyne DALSA GmbH

1. Engagement

The managing directors of

Teledyne DALSA GmbH,
Krailling (until August 30, 2012 Gröbenzell)
--hereinafter referred to as "the Company"--

instructed us to prepare the financial statements of the Company as of December 31, 2012

The report was prepared in accordance with the reporting principles of IDW Standard Principles for the Compilation of Annual Financial Statements (IDW S7) [Grundsätze für die Erstellung von Jahresabschlüssen (IDW S7)]

The engagement is governed by the General Conditions of Assignment for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften as revised on January 1, 2002, which are enclosed on attachment 4. Our liability is in accordance with no. 9 of the General Conditions of Assignment. no. 1 para. 2 and no. 9 of the General Conditions of Assignment are decisive in relation to third parties.



2 Execution

2.1. Subject of engagement

The annual financial statements - comprising the balance sheet, profit and loss account and notes to the financial statements - are prepared based on the documents, books and registers of assets and liabilities submitted to us in compliance with the information provided to us

Keeping the books and preparing the list of assets and liabilities and the annual financial statements in accordance with German commercial law are the responsibility of the Company's management. We obtained the decision options for exercising of options available and important scopes of discretion by the Company's management accordingly.

2.2. Execution of engagement

We made our work in accordance with the IDW Standard Principles for the Compilation of Annual Financial Statements (IDW S7) [Grundsätze für die Erstellung von Jahresabschlüssen (IDW S7)]

According to this, our engagement to prepare the financial statements comprises the development of the balance sheet and profit and loss account based on the documents, books and registers of assets and liabilities submitted to us (with the execution of the respective annual closing entries) in compliance with the information provided to us, especially the obtained options of the applied accounting and valuation principles. Furthermore, our engagement comprises the preparation of the respective notes to the financial statements.

The examination of the bookkeeping as well as the adequacy and efficiency of the internal controlling system was not subject of our engagement. The annual closing entries are based on the documents submitted and information given to us without examination of their validity.

Nature and scope of our procedures are documented in our workpapers. The engagement was carried out (with breaks) in the months of June through September 2013 (until September 3, 2013).

Any explanations and supporting documents requested have been presented. The managing directors confirmed the completeness of the financial statements in writing.



3. Results of work

Essential information to the financial statements

The Company is a small company according to sec 267 para 1 of the German Commercial Code (HGB). The Company has applied provisions allowing the preparation of condensed financial statements for small companies according to § 274 a (partly) of the German Commercial Code (HGB) and sec 288 (completely) of the German Commercial Code (HGB). The provisions of sec 266 para 1 clause 3 and sec 276 of the German Commercial Code (HGB) allowing the preparation of condensed financial statements are only considered for the disclosure of the financial statements.

The financial statements of the Company are based on the following essential accounting rules:

Depreciation of tangible assets is calculated over useful life of the assets according to official tables by the German Federal Ministry of Finance using the straight-line method. A reminder value for the remaining assets is not capitalized.



Teledyne DALSA GmbH
Report
Financial Statements 12/31/2012

4 Report

To Teledyne DALSA GmbH

Pursuant to the terms of the engagement, we have compiled the annual financial statements below - comprising the balance sheet, profit and loss account and notes to the financial statements - of Teledyne DALSA GmbH, Krailling (until August 30, 2012 Grobenzell), for the financial year from January 1 through December 31, 2012 in compliance with German commercial law. Basis for the compilation was the documents, books and registers of assets and liabilities submitted to us, which, in accordance with the engagement terms, we have not audited, as well as other information provided to us. Keeping the books and preparing the list of assets and liabilities and the annual financial statements in accordance with German commercial law are the responsibility of the Company's management.

We conducted our engagement in accordance with the IDW Standard Principles for the Compilation of Annual Financial Statements (IDW S7) [Grundsätze für die Erstellung von Jahresabschlüssen (IDW S7)]. This involves drafting the balance sheet and the profit and loss account and notes to the financial statements on the basis of the bookkeeping, the list of assets and liabilities and the instructions relating to the applicable accounting policies.

The engagement, concerning the aforementioned services to Teledyne DALSA GmbH, Krailling (until August 30, 2012 Grobenzell), is governed by the General Conditions of Assignment for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften as revised on January 1, 2002, which are enclosed on attachment 4. By notice and use of the information included in this report, the recipient acknowledges being informed of the regulations (including maximum amount of liability determined by no. 9 of the General Conditions of Assignment) and approves these regulations in the relationship to us.

Munich, this September 3, 2013

KPMG AG
Wirtschaftsprüfungsgesellschaft

Sören Freitag

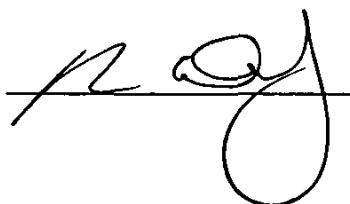
Anja Peter

Teledyne DALSA GmbH,
Krailing (until August 30, 2012 Grobenzell)

Balance sheet as of December 31, 2012

Assets

	12/31/2012		12/31/2011	
	EUR	EUR	EUR	EUR
A Fixed assets				
Tangible assets				
Other equipment, operating and office equipment		1 055 43		3 907 64
B Current assets				
I Accounts receivable and other assets				
1 Accounts due from affiliated companies	16 485 40		48 018 64	
--thereof due to shareholder				
EUR 16 485 40 (previous year EUR 48 018 64)--				
2 Other assets	7 706 12	24 191 52	7 386 41	55 385 05
--thereof with a remaining term of up to one year				
EUR 2 256 12 (previous year EUR 7 366 41)--				
--thereof with a remaining term of more than one year				
EUR 5 450 00 (previous year EUR 0 00)--				
II Securities included in current assets		4 210 88		4 227 33
III Cash on hand, cash at banks		307 688 64		273 774 46
		336 091 04		333 386 64
		337 146 47		337 294 48



Dec 5, 2013

Liabilities and shareholders' equity

	12/31/2012	12/31/2011
	EUR	EUR
A. Shareholders' equity		
I Subscribed capital	25 564 59	25 564 59
II Retained earnings	244 284 51	219 198 12
III Net income	23 545 10	25 086 39
	293 394 20	269 849 10
B Accruals		
Other reserves and accrued liabilities	25 984 93	54 523 36
C Liabilities		
1 Trade payables	13 631 52	9 185 68
--thereof with a remaining term of up to one year		
EUR 13 631 52 (previous year EUR 9 185 68)--		
2 Other liabilities	4 135 82	3 736 34
--thereof taxes		
EUR 4 135 82 (previous year EUR 3 736 34)--		
	17 767 34	12 922 02
	337 146 47	337 294 48

Teledyne DALSA GmbH,
Krailing (until August 30, 2012 Grobenzell)

Profit and loss account for the period
January 1 through December 31, 2012

	2012	2011
	EUR	EUR
1 Sales	686 000 00	719 000 00
2 Personnel expenses		
Wages and salaries	-514 515 30	-552 195 31
3 Depreciation of fixed intangible and tangible assets	-2 852 21	-2 281 12
4 Other operating expenses	-135 948 66	-130 179 29
-thereof foreign currency translation		
EUR -137 59 (previous year EUR -40 84)-		
5 Other interest and similar income	468 97	905 34
6 Depreciation of securities included in current assets	-16 45	0 00
7 Interest and similar expenses	-129 19	-76 32
8 Result of ordinary operations	33 007 16	35 173 30
9 Taxes on income	-9 482 06	-10 086 91
10 Net income	23 545 10	25 086 39

Teledyne DALSA GmbH,
Krailing (until August 30, 2012 Gröbenzell)

Notes to the financial statements for the financial year
January 1 through December 31, 2012

1. General comments

Teledyne DALSA GmbH is a small company according to sec 267 para 1 of the German Commercial Code (HGB). The company has applied provisions allowing the preparation of condensed financial statements for small companies according to sec 274 a (partly) of the German Commercial Code (HGB) and sec 288 (completely) of the German Commercial Code (HGB).

The financial statements as of December 31, 2012 are prepared according to the accounting standards of the German Commercial Code (HGB) and the German Law for Limited Liability Corporations (GmbHG). The balance sheet classification complies with the classification scheme according to sec 266 para 2 and 3 of the German Commercial Code (HGB).

The profit and loss account is prepared according to the total cost format to sec 275 para 2 of the German Commercial Code (HGB).

2. Accounting and valuation principles

Intangible assets are initially measured at its historical cost less accumulated depreciation.

Tangible assets are capitalized at cost, reduced by scheduled depreciation. Depreciation is calculated over useful life of the assets using the straight-line method. Additions to fixed assets are depreciated pro rata temporis. Assets purchased after December 31, 2007 and with costs less than EUR 150 00 are depreciated in the year of the acquisition to the full extent.

Accounts receivable and other assets are capitalized at nominal costs.

Receivables in foreign currencies are evaluated with the closing exchange rate on December 31, 2012 according to para 256 a of the German Commercial Code (HGB).

Securities included in current assets are capitalized at cost

Cash on hand and at banks are shown with their nominal value

Accruals consider all risks foreseeable as well as contingencies in the amount necessary under due consideration

Liabilities are shown at actual amounts payable

Liabilities in foreign currencies are evaluated with the closing exchange rate on December 31, 2012 according to para 256 a of the German Commercial Code (HGB)

All liabilities are repayable within one year

3. Others

3.1. Fixed Assets

An attachment to the notes shows the development of fixed assets

3.2. Shareholder's Equity

The subscribed equity in the amount of DM 50,000 00 amounts to EUR 25,564 59

3.3 Managing director

As managing directors of the financial year 2012 were appointed

Robert Mehrabian, Businessman, Santa Ynes/USA

Aldo Pichelli, Accountant, Canarillo/USA

Rex Geveden, Businessman, Newbury Park/USA

Brian Doody, Engineer, Waterloo, Ontario/Canada

Jim Roberts, Businessman, Fergus/Canada (resigned as of August 31, 2012)

The company is represented by at least two managing directors

3.4. Employees

In the financial year four employees were occupied by the company

3.5. Group to which the company belongs

The company's financial statements as of December 31, 2012 will be included in the consolidated financial statements of Teledyne DALSA Inc , Waterloo, Ontario/Canada The group financial statements are published in Waterloo, Ontario/Canada

Krailling, this

Teledyne DALSA GmbH,
Krailing (until August 30, 2012 Grobenzell)

Development of fixed assets during the fiscal year 2012

	Acquisition costs and costs of goods manufactured			
	1/1/2012	Additions	Disposals	12/31/2012
	EUR	EUR	EUR	EUR
Tangible assets				
Other equipment operating and office equipment	168 356 81	0 00	0 00	168 356 81

Depreciation			Net book value		
1/1/2012	Additions	Disposals	12/31/2012	12/31/2012	12/31/2011
EUR	EUR	EUR	EUR	EUR	EUR
164 449 17	2 852 21	0 00	167 301 38	1 055 43	3 907 64

[Translator's notes are in square brackets]

General Engagement Terms

for

Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften

[German Public Auditors and Public Audit Firms]

as of January 1, 2002

This is an English translation of the German text, which is the sole authoritative version

1 Scope

(1) These engagement terms are applicable to contracts between Wirtschaftsprüfer [German Public Auditors] or Wirtschaftsprüfungsgesellschaften [German Public Audit Firms] (hereinafter collectively referred to as the "Wirtschaftsprüfer") and their clients for audits, consulting and other engagements to the extent that something else has not been expressly agreed to in writing or is not compulsory due to legal requirements.

(2) If in an individual case as an exception contractual relations have also been established between the Wirtschaftsprüfer and persons other than the client, the provisions of No. 9 below also apply to such third parties.

2 Scope and performance of the engagement

(1) Subject of the Wirtschaftsprüfer's engagement is the performance of agreed services – not a particular economic result. The engagement is performed in accordance with the Grundsätze ordnungsmäßiger Berufsausübung [Standards of Proper Professional Conduct]. The Wirtschaftsprüfer is entitled to use qualified persons to conduct the engagement.

(2) The application of foreign law requires – except for financial attestation engagements – an express written agreement.

(3) The engagement does not extend – to the extent it is not directed thereto – to an examination of the issue of whether the requirements of tax law or special regulations such as, for example, laws on price controls, laws limiting competition and Bewirtschaftungsrecht [laws controlling certain aspects of specific business operations] were observed. The same applies to the determination as to whether subsidies, allowances or other benefits may be claimed. The performance of an engagement encompasses auditing procedures aimed at the detection of the falsification of books and records and other irregularities only if during the conduct of audits grounds therefor arise or if this has been expressly agreed to in writing.

(4) If the legal position changes subsequent to the issuance of the final professional statement, the Wirtschaftsprüfer is not obliged to inform the client of changes or any consequences resulting therefrom.

3 The client's duty to inform

(1) The client must ensure that the Wirtschaftsprüfer – even without his special request – is provided on a timely basis with all supporting documents and records required for and is informed of all events and circumstances which may be significant to the performance of the engagement. This also applies to those supporting documents and records, events and circumstances which first become known during the Wirtschaftsprüfer's work.

(2) Upon the Wirtschaftsprüfer's request, the client must confirm in a written statement drafted by the Wirtschaftsprüfer that the supporting documents and records and the information and explanations provided are complete.

4 Ensuring independence

The client guarantees to refrain from everything which may endanger the independence of the Wirtschaftsprüfer's staff. This particularly applies to offers of employment and offers to undertake engagements on one's own account.

5 Reporting and verbal information

If the Wirtschaftsprüfer is required to present the results of his work in writing, only that written presentation is authoritative. For audit engagements the long form report should be submitted in writing to the extent that nothing else has been agreed to. Verbal statements and information provided by the Wirtschaftsprüfer's staff beyond the engagement agreed to are never binding.

6 Protection of the Wirtschaftsprüfer's intellectual property

The client guarantees that expert opinions, organizational charts, drafts, sketches, schedules and calculations – especially quantity and cost computations – prepared by the Wirtschaftsprüfer within the scope of the engagement will be used only for his own purposes.

7 Transmission of the Wirtschaftsprüfer's professional statements

(1) The transmission of a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) to a third party requires the Wirtschaftsprüfer's written consent to the extent that the permission to transmit to a certain third party does not result from the engagement terms.

The Wirtschaftsprüfer is liable (within the limits of No. 9) towards third parties only if the prerequisites of the first sentence are given.

(2) The use of the Wirtschaftsprüfer's professional statements for promotional purposes is not permitted. An infringement entitles the Wirtschaftsprüfer to immediately cancel all engagements not yet conducted for the client.

8 Correction of deficiencies

(1) Where there are deficiencies, the client is entitled to subsequent fulfillment [of the contract]. The client may demand a reduction in fees or the cancellation of the contract only for the failure to subsequently fulfill [the contract] if the engagement was awarded by a person carrying on a commercial business as part of that commercial business – a government-owned legal person under public law or a special government-owned fund under public law – the client may demand the cancellation of the contract only if the services rendered are of no interest to him due to the failure to subsequently fulfill [the contract]. No. 9 applies to the extent that claims for damages exist beyond this.

(2) The client must assert his claim for the correction of deficiencies in writing without delay. Claims pursuant to the first paragraph not arising from an intentional tort cease to be enforceable one year after the commencement of the statutory time limit for enforcement.

(3) Obvious deficiencies such as typing and arithmetical errors and formelle Mängel [deficiencies associated with technicalities] contained in a Wirtschaftsprüfer's professional statements (long-form reports, expert opinions and the like) may be corrected – and also be applicable versus third parties – by the Wirtschaftsprüfer at any time. Errors which may call into question the conclusions contained in the Wirtschaftsprüfer's professional statements entitle the Wirtschaftsprüfer to withdraw – also versus third parties – such statements. In the cases noted the Wirtschaftsprüfer should first hear the client, if possible.

9 Liability

(1) The liability limitation of § ["Article"] 323 (2) ["paragraph 2"] HGB ["Handelsgesetzbuch" German Commercial Code] applies to statutory audits required by law.

(2) Liability for negligence: An individual case of damages.

If neither No. 1 is applicable nor a regulation exists in an individual case pursuant to § 54a (1) no. 2 WPO ["Wirtschaftsprüferordnung" Law regulating the Profession of Wirtschaftsprüfer] the liability of the Wirtschaftsprüfer for claims of compensatory damages of any kind – except for damages resulting from injury to life, body or health – for an individual case of damages resulting from negligence is limited to € 4 million. This also applies if liability to a person other than the client should be established. An individual case of damages also exists in relation to a uniform damage arising from a number of breaches of duty. The individual case of damages encompasses all consequences from a breach of duty without taking into account whether the damages occurred in one year or in a number of successive years. In this case multiple acts or omissions of acts based on a similar source of error or on a source of error of an equivalent nature are deemed to be a uniform breach of duty if the matters in question are legally or economically connected to one another. In this event the claim against the Wirtschaftsprüfer is limited to € 5 million. The limitation to the fivefold of the minimum amount insured does not apply to compulsory audits required by law.

(3) Preclusive deadlines

A compensatory damages claim may only be lodged within a preclusive deadline of one year of the rightful claimant having become aware of the damage and of the event giving rise to the claim – at the very latest, however, within 5 years subsequent to the event giving rise to the claim. The claim expires if legal action is not taken within a six month deadline subsequent to the written refusal of acceptance of the indemnity and the client was informed of this consequence.

The right to assert the bar of the preclusive deadline remains unaffected. Sentences 1 to 3 also apply to legally required audits with statutory liability limits.

10 Supplementary provisions for audit engagements

- (1) A subsequent amendment or abridgement of the financial statements or management report audited by a Wirtschaftsprüfer and accompanied by an auditor's report requires the written consent of the Wirtschaftsprüfer even if these documents are not published. If the Wirtschaftsprüfer has not issued an auditor's report a reference to the audit conducted by the Wirtschaftsprüfer in the management report or elsewhere specified for the general public is permitted only with the Wirtschaftsprüfer's written consent and using the wording authorized by him.
- (2) If the Wirtschaftsprüfer revokes the auditor's report, it may no longer be used. If the client has already made use of the auditor's report, he must announce its revocation upon the Wirtschaftsprüfer's request.
- (3) The client has a right to 5 copies of the long-form report. Additional copies will be charged for separately.

11 Supplementary provisions for assistance with tax matters

- (1) When advising on an individual tax issue as well as when furnishing continuous tax advice, the Wirtschaftsprüfer is entitled to assume that the facts provided by the client – especially numerical disclosures – are correct and complete. This also applies to bookkeeping engagements. Nevertheless, he is obliged to inform the client of any errors he has discovered.
- (2) The tax consulting engagement does not encompass procedures required to meet deadlines, unless the Wirtschaftsprüfer has explicitly accepted the engagement for this. In this event the client must provide the Wirtschaftsprüfer, on a timely basis, all supporting documents and records – especially tax assessments – material to meeting the deadlines, so that the Wirtschaftsprüfer has an appropriate time period available to work therewith.
- (3) In the absence of other written agreements, continuous tax advice encompasses the following work during the contract period:
 - a) preparation of annual tax returns for income tax, corporation tax and business tax, as well as net worth tax returns on the basis of the annual financial statements and other schedules and evidence required for tax purposes to be submitted by the client.
 - b) examination of tax assessments in relation to the taxes mentioned in (a).
 - c) negotiations with tax authorities in connection with the returns and assessments mentioned in (a) and (b).
 - d) participation in tax audits and evaluation of the results of tax audits with respect to the taxes mentioned in (a).
 - e) participation in Einspruchs- und Beschwerdeverfahren [appeals and complaint procedures] with respect to the taxes mentioned in (a).

In the afore-mentioned work the Wirtschaftsprüfer takes material published legal decisions and administrative interpretations into account.

- (4) If the Wirtschaftsprüfer receives a fixed fee for continuous tax advice, in the absence of other written agreements the work mentioned under paragraph 3 (d) and (e) will be charged separately.
- (5) Services with respect to special individual issues for income tax, corporate tax, business tax, valuation procedures for property and net worth taxation, and net worth tax as well as all issues in relation to sales tax, wages tax, other taxes and dues require a special engagement. This also applies to:
 - a) the treatment of nonrecurring tax matters, e.g. in the field of estate tax, capital transactions tax, real estate acquisition tax.
 - b) participation and representation in proceedings before tax and administrative courts and in criminal proceedings with respect to taxes, and
 - c) the granting of advice and work with respect to expert opinions in connection with conversions of legal form, mergers, capital increases and reductions, financial reorganizations, admission and retirement of partners or shareholders, sale of a business, liquidations and the like.

- (6) To the extent that the annual sales tax return is accepted as additional work, this does not include the review of any special accounting prerequisites nor of the issue as to whether all potential legal sales tax reductions have been claimed. No guarantee is assumed for the completeness of the supporting documents and records to validate the deduction of the input tax credit.

12 Confidentiality towards third parties and data security

- (1) Pursuant to the law the Wirtschaftsprüfer is obliged to treat all facts that he comes to know in connection with his work as confidential, irrespective of whether these concern the client himself or his business associations, unless the client releases him from this obligation.
- (2) The Wirtschaftsprüfer may only release long-form reports, expert opinions and other written statements on the results of his work to third parties with the consent of his client.
- (3) The Wirtschaftsprüfer is entitled – within the purposes stipulated by the client – to process personal data entrusted to him or allow them to be processed by third parties.

13 Default of acceptance and lack of cooperation on the part of the client

- If the client defaults in accepting the services offered by the Wirtschaftsprüfer or if the client does not provide the assistance incumbent on him pursuant to No. 3 or otherwise, the Wirtschaftsprüfer is entitled to cancel the contract immediately. The Wirtschaftsprüfer's right to compensation for additional expenses as well as for damages caused by the default or the lack of assistance is not affected, even if the Wirtschaftsprüfer does not exercise his right to cancel.

14 Remuneration

- (1) In addition to his claims for fees or remuneration, the Wirtschaftsprüfer is entitled to reimbursement of his outlays. Sales tax will be billed separately. He may claim appropriate advances for remuneration and reimbursement of outlays and make the rendering of his services dependent upon the complete satisfaction of his claims. Multiple clients awarding engagements are jointly and severally liable.
- (2) Any set off against the Wirtschaftsprüfer's claims for remuneration and reimbursement of outlays is permitted only for undisputed claims or claims determined to be legally valid.

15 Retention and return of supporting documentation and records

- (1) The Wirtschaftsprüfer retains, for ten years, the supporting documents and records in connection with the completion of the engagement – that had been provided to him and that he has prepared himself – as well as the correspondence with respect to the engagement.
- (2) After the settlement of his claims arising from the engagement, the Wirtschaftsprüfer, upon the request of the client, must return all supporting documents and records obtained from him or for him by reason of his work on the engagement. This does not, however, apply to correspondence exchanged between the Wirtschaftsprüfer and his client and to any documents of which the client already has the original or a copy. The Wirtschaftsprüfer may prepare and retain copies or photocopies of supporting documents and records which he returns to the client.

16 Applicable law

- Only German law applies to the engagement, its conduct and any claims arising therefrom.