

Poland



Russia



Belarus



Ukraine



Germany



Kazakhstan

your business partner

accounting | ERP | import | legal | tax



Ulf Schneider
Managing Partner

At SCHNEIDER GROUP we consult and provide our international clients with the back office services they need to expand their business into or within Russia, Kazakhstan, Belarus, Ukraine, Poland and Germany.

We are committed to providing top-quality services in business operations on an international level, creating transparent and simple structures that help our customers manage their business with confidence. We improve business processes using modern technology to increase the efficiency of our clients, and we ourselves use our services.

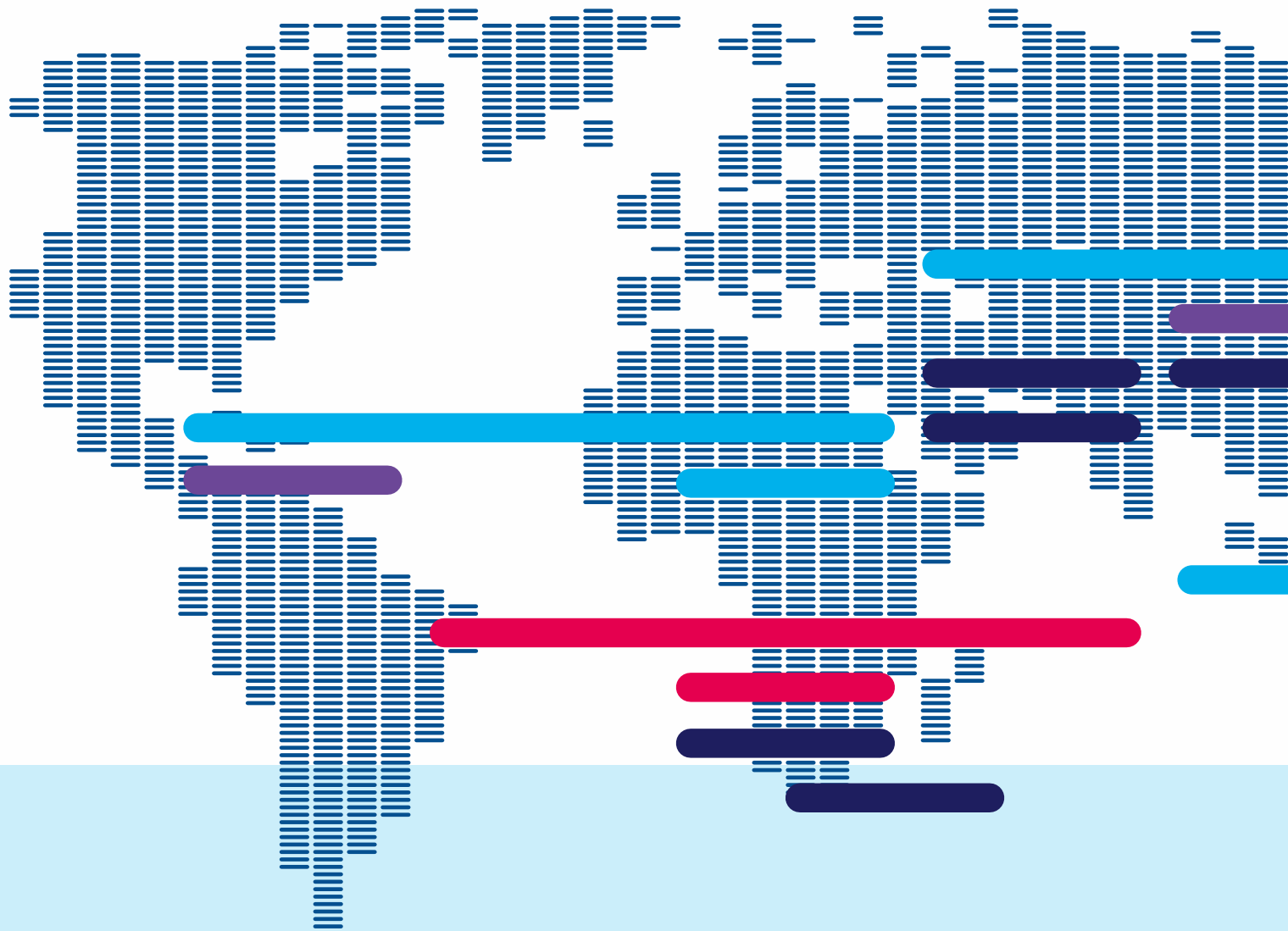
We have been utilising the very solutions we provide for over a decade among our 500 experts.

"Back in 2003 I thought, if things go really well, I might think about running a team of 20 employees in the future."

aktau
almaty
astana
berlin
frankfurt

kyiv
minsk
moscow
st. petersburg
warsaw

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about us

We at SCHNEIDER GROUP consult and provide services in accounting, tax, legal, import and IT/ERP out of one hand internationally. Our clients can expect high quality service with the same standards in Russia, Kazakhstan, Belarus, Ukraine, Poland and Germany. To increase their efficiency and profit, we implement and develop modern technology and constantly improve processes and workflows.

We have been utilising the very solutions we provide for over a decade among our 500 experts.

A decorative graphic on the left side of the page consisting of numerous horizontal bars of varying lengths and colors (blue, red, purple) arranged in a stepped, staircase-like pattern.

our success story

The company was founded in Moscow in 2003 by Ulf Schneider, former CFO of an insurance company in Russia. It was his idea to give hands-on support to companies entering the Russian market. It was not only the German meticulousness of Ulf Schneider, originally from Hamburg, that helped him but also the local know-how of the two Russian colleagues who were in his team.

Business was booming not only in Moscow but in St. Petersburg as well and therefore it was decided to establish a second office there. The company kept growing and today 500 experts work from eleven offices in 6 countries. Initially, the company's main focuses were on Russian accounting and local reporting.

Due to its clients' requirements, the company extended its service portfolio, offering almost all back-office services necessary for a successful business, and therefore became a one-stop business partner in Russia, Kazakhstan, Belarus, Ukraine, Poland and Germany.

SCHNEIDER GROUP operate offices in Moscow, St. Petersburg, Aktau, Almaty, Astana, Minsk, Kyiv, Warsaw, Frankfurt and Berlin.

why work with us

Expertise under one roof

In-house experts for all services we offer

Technological know-how

Proven expertise in the three major ERP systems: 1C, SAP and Microsoft Dynamics NAV

Strong team

500 experts in 11 offices

One contact for six countries

Close cross-border collaboration gives the opportunity to have one main contact person for six countries

International presence

Offices in Moscow, St. Petersburg, Aktau, Almaty, Astana, Minsk, Kyiv, Warsaw, Frankfurt and Berlin and representatives in Europe, North America and Japan

Communication

All our accountants speak English and / or German

Transparency

We provide quarterly overviews of the most important indicators on the balance sheet, income statement and tax calculations

Quality assurance

Own internal audit department, SOX compliance

IT Security

Own datacenters, multi-level back up, 0 down-time

Over 10 years of success

Over the last decade, we have been successfully advising companies on their business operations in Russia, Kazakhstan, Belarus, Ukraine, Poland and Germany



our group worldwide

Over the years, we have developed our service range as well as our geographical presence. After Moscow, we opened our St. Petersburg office in 2004. Many of our clients started considering Russia's neighboring countries as potential sales markets; accordingly our Kyiv office was opened in 2006 offering the complete service range from business set-up to business expansion in the Ukraine.

The Almaty office was opened in 2007 and Minsk followed a year later, in 2008. We support international companies in market entry into Kazakhstan and Belarus from our offices in Almaty, Aktau, Astana and Minsk. All these offices provide our full service range for the Kazakhstani and Belarusian markets.

Further expansion occurred in 2012 when we opened our office in Warsaw from where we consult our clients on business set-up in Poland, accounting outsourcing, tax advice, recruiting as well as reporting in compliance with international standards. We also take over the personnel administration and payroll accounting for foreign companies.

With the opening of our offices in Berlin and Frankfurt we have turned the tables and give international companies the opportunity to enter the German market. Through our offices in Germany we support those companies with business set-up services, current accounting, offer PR services as well as appraisal of businesses and internal audit.

our management team

Our management team consists of experienced professionals and former employees of the Big Four, who have been active in market entry, tax and management consulting in Russia, Kazakhstan, Belarus, Ukraine, Poland and Germany for many years.



Ulf Schneider
Managing Partner
SCHNEIDER GROUP



Lars Flottrøng
Moscow



Andreas Bitzi
St. Petersburg



Yuri Donets
Kyiv



Kirill Afanasyev
Aktau, Almaty, Astana



Anna Bryanchaninova
Frankfurt



Natalia Shulzhenko
Minsk



Adrian Branny
Warsaw

our services

We expanded our service range to meet the clients diversifying requirements. Our client base consists of both companies that are already established on the Russian, Kazakhstani, Belarusian, Ukrainian or Polish markets and of companies that are looking to set up their business there.

Today, SCHNEIDER GROUP offers services in the following areas

- Market analysis
- Customs, import and logistics
- Outstaffing
- Company registration
- Interim management
- Legal and business address
- Fully equipped offices
- Event management
- Visa support and labor law
- Intercompany agreements
- Tax consulting
- Transfer pricing
- Financial and tax due diligence
- Accounting, reporting and transformation to IFRS, US-GAAP, HGB
- Internal audit
- B2B Electronic document interchange (EDI)
- IT / ERP systems
- Expert recruiting (Accounting, Tax, IT)
- Business workshops (**stars**academy)

SCHNEIDER GROUP is a one-stop business partner providing you with all you need to ensure a smooth and successful start or expansion of your business in Russia, Kazakhstan, Belarus, Ukraine, Poland and Germany. All our employees speak either English or German and are proficient specialists in their respective fields. We understand how important clear communication with the parent company is when it comes to making decisions, especially across-borders.

At SCHNEIDER GROUP you will find English, German, French and Italian native speakers providing a smooth exchange of information. Our Western management is always ready to get in touch with your headquarters to resolve any issues that may arise.



market analysis

For a company which is currently considering the possibility of entering the Russian, Kazakhstani, Belarusian, Ukrainian or Polish market we can assist by conducting a market entry analysis. This gives our client the possibility to evaluate all possible risks and opportunities for their company in the respective market. The analysis can be based on the client's specifications or can be conducted in a standard form.

We provide our clients with information regarding their competitors and business activities and also make them aware of peculiarities of the country where they are planning their business activity. We also explain existing legal and business-specific hurdles which our clients may face in the chosen market.

We prepare a report for our clients regarding the perspectives of the further development of the chosen industry and their business in this sector.

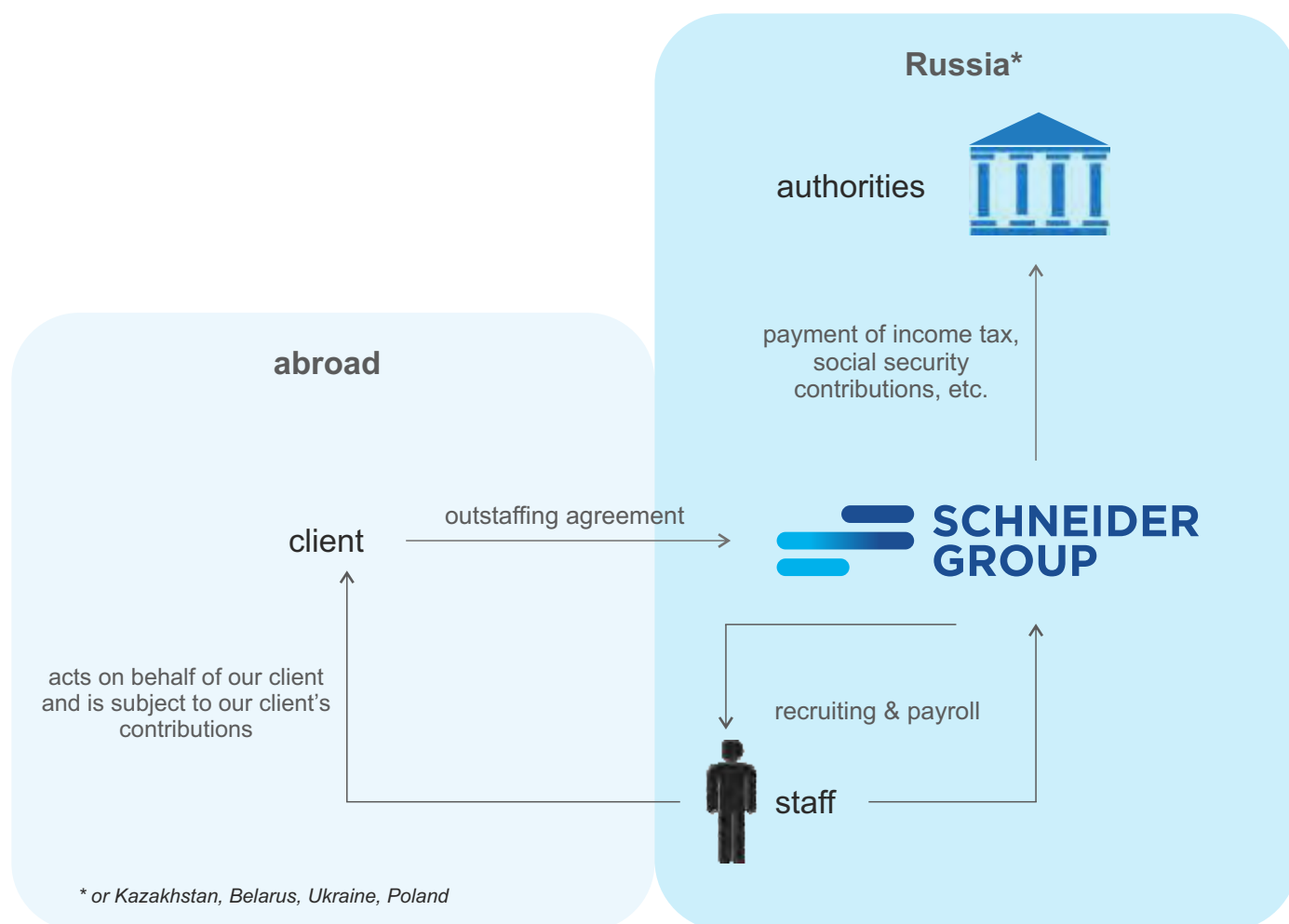
We help them make contacts with potential partners / distributors in Russia, Kazakhstan, Belarus, Ukraine, Poland and Germany. We find potential distributors and partners (long list), and also contact them to get aware of their interest in the cooperation with our client (short list). If required, we can check these companies and make sure they are registered in the Trade Register and analyse their latest annual reports.

outstaffing your staff employed by us

It often takes a lot of time to register a subsidiary company or a representative office. If one has already found his / her first local employee, he cannot officially hire him / her until this happens.

We can offer our clients our service of hiring this person in our company. Then we charge the client the related expenses, plus an administrative charge.

After the client's subsidiary company or representative office is registered, they will hire their employees in their new legal entity.





customs, import and logistics

Import handling for a local subsidiary

- Customs clearance for third parties via electronic signature or broker service
- Registration at customs
- Registration of the electronic signature
- Logistics coordination
- Development of supply chain and warehousing concept
- Delivery of goods to the final client in Russia
- Preparation of the statistics form for deliveries within the EEU (Eurasian Economic Union)

DDP Service

We provide a DDP service which is an ideal solution for exporters who do not have their own subsidiary or importer and must supply duty paid goods to local customers. In this case we take over the following tasks:

- Import of goods and customs clearance in our own name
- Administrative effort (Stipulation of contracts, passport of deal and all other shipping or customs documents)
- Logistic handling from our client's premises to our client's final customer within the Customs Union
- Payment of customs duties, VAT and other taxes if required

Legislative background and main requirements

When talking about importing goods into the Eurasian Economic Union of Russia, Belarus, Kazakhstan, Armenia and Kyrgyzstan (EEU) we have in mind those transactions between a foreign exporter / seller and a local importer / buyer. The most fundamental requirement for importing goods into the EEU is that the buyer of the goods is also responsible for customs clearance and payment of customs duties and import VAT. The legal entity, in whose name the customs formalities are carried out, is officially called the "declarant". Even when a licensed customs representative, better known as a customs broker, takes over the customs formalities, the clearing process will nevertheless be carried out in the name of the declarant company.

Another important aspect is the principle of residence, which foresees that in each member country only a local legal entity may import and declare goods at customs, e.g. in Russia only a Russian legal entity, in Kazakhstan only a Kazakhstani company.

Product certification

We provide our clients with the necessary certificate or product registration for the EEU. We collaborate with leading certifications agencies and offer the following services:

- Product analysis for certification purposes and confirmation of certificates required
- Preparation of required documentation for the certification process
- Coordination of the delivery of samples for testing purposes



e-commerce solution

set up your online-shop in the Eurasian Economic Union

SCHNEIDER GROUP offers an ALL-IN-ONE Service for your Online-Shop in Russia and the entire Eurasian Economic Union (EEU).

We support you with import, customs clearance and the distribution of your products in the EEU, without the need of registering a company or recruiting staff.

Thus, you get an entire and transparent distribution infrastructure, in which SCHNEIDER GROUP manages the orders as well as client payments, and takes care of all logistic processes including delivery to the client.



The “E-Commerce Solution” includes the following services:

- Development of Russian general terms and conditions (for the website) in accordance with Russian legislation
- Hosting of your Online-Shop on our server
- Import incl. customs clearance
- Certification of products
- Automatic processing of orders and client payments
- Warehousing and preparation of goods for delivery
- Delivery to clients and handling of returns
- Hotline service incl. client consultation
- Accounting and necessary tax reports

ALL-IN-ONE package for your Online-Shop in Russia and the EEU

- Transparent and simple distribution infrastructure
- Takeover of all technical, organizational and administrative processes
- One monthly flat rate



Market Entry *FAST TRACK*

effective market entry without the hassle of registration

SCHNEIDER GROUP supports you with entering a new market within just a few days and without the hassle of company registration via our office-in-office solution!

We hire your employee and take over personnel management incl. payroll. Fully furnished working desks are available as well as secretarial services, a business address and conference rooms. In addition, we issue invitations for business visas and support you with our import/DDP services.

Thus, you get access to our comprehensive office infrastructure, enjoy the benefit of our excellent reputation, have an employee who is incorporated into our established company, all under your operational guidance.



Our Market Entry *FAST TRACK* service package contains:

- Search for suitable candidates
- Outstaffing: we hire your employee
- Fully furnished and ready-to-use working space
- Business address for marketing purpose incl. a separate telephone number
- Secretarial services through a personally assigned coordinator
- Use of conference rooms in our professional conference center
- Invitation for business visas
- Import / DDP services

Want more? | We can offer you business addresses in 5 countries at the same time.

Advantages

- Fast and simple market testing with minimal risks
- Turn-key solution for an immediate market presence
- Accelerated start without the hassle of company registration
- Concentration on core business without administrative overhead
- Simple transition to potential subsidiary at any time
- One invoice only for all monthly expenses

company registration

We can help register a company in Russia, Kazakhstan, Belarus, Ukraine and Poland and help to choose the most suitable form of the legal entity (LLC, JCS) for a foreign business. We are also ready to consult our clients on various legal matters associated with the set-up of a subsidiary. Also, we can provide clients with support concerning the accreditation of their representative office or branch office.

Our services include:

- Preparation of the documents required necessary to open a company (including translations)
- Submission of the documents to registration institutions and collecting them after the registration
- Obtaining the company seal
- Registration of the company with the local tax authorities
- Registration with the local statistics office
- Registration of the founded company with social security funds
- Opening a bank account

What should you pay attention to while founding your business in Russia?

Foreign investors can conduct their activities in Russia, Kazakhstan, Belarus, Ukraine and Poland (importing goods, rendering services, etc.) in different ways:

- Via export of products to the market / Providing services to the local customers without registration of a company in the country
- Via a representative office or a branch of a foreign company

- Via a legal entity established in accordance with the local legislation (a subsidiary)

Exporting goods to Russia, Kazakhstan, Belarus, Ukraine or Poland or rendering services to clients in these countries without the registration of a company seems to be quite a simple method to conduct business at first sight. However, in the process of rendering services, there can be problems such as obtaining necessary permits. Some tax questions also may need clarification (e.g., defining the exact place where the services are rendered is important for VAT calculations). Often, services rendered by temporarily hired employees can eventually lead to the set-up of a permanent establishment. Also, when goods are delivered to the country of destination it is essential to fulfill tedious requirements of the customs office.

For quite a long time, representative offices and branches were the most popular forms of a foreign companies' presence in Russian-speaking countries and Poland. Today, they still play an important role in the sales of goods and also in the implementation of large construction and assembly projects. However, they are not suitable for importing goods and their subsequent sales to clients.

The necessity of setting up a legal entity locally (a subsidiary) arises when you yourself want to participate in such processes as importing and selling goods. While deciding on the form of legal entity, it is essential to define in advance the way your subsidiary will be financed.

Process and registration period of companies (LLC)

After obtaining the required information and documentation, we will prepare the charter and the decision documents on the establishment of a legal entity, confirm them with our client and prepare other incorporation documents.

We will submit the documents for registration and receive the certificate of registration, as well as the registration certificates from the statistics office and social security funds.

After registration, we will order the seal for the subsidiary and organize the opening of the company's bank accounts. The entire process of company registration in Russia takes around 2 – 3 months.

At SCHNEIDER GROUP we offer company registration in Russia, Kazakhstan, Belarus, Ukraine and Poland.

Preparation of required necessary documents

Preparation of statute, foundation resolution and other incorporation documents

Successful company registration

Obtaining company seal

Opening bank account of the subsidiary

interim management

Interim management is the temporary provision of management resources and skills. It can be seen as the short-term assignment of a proven interim executive manager to manage a period of transition, crisis or change within an organization. Typical areas of application are:

- during the set-up of a business (where an executive manager is not yet necessary yet on a full-time basis, is not found yet or requires a labour permit)
- during times of changes in management and
- during phases when a company is temporarily “frozen” or on the way to liquidation.

But there may be other situations where a need for professional and reliable interim management services arises, for instance due to a lack of appropriate candidates on the market.

Under Russian corporate law the General Director (CEO) possesses much more comprehensive rights than a German CEO. Until now it was not possible in Russia to implement the requirement that only a minimum of two directors or one director in combination with an authorized representative are authorized to take main decisions.

According to changes in the Civil Code of the Russian Federation starting from September 1, 2014 a company may set up several General Directors (who are authorized to sign together or individually). However this will first need to be proved in praxis. Based on the Russian mentality and structures it is a question how to deal with the innovation and if appropriate staff with corresponding management qualifications can be provided.

Because of this many companies appoint a representative of their headquarters as their General Director, who is not present in Russia though. In order to solve this problem our experienced interim managers take over the function of a General Director. In close coordination and consultation with you we manage your subsidiary. In a similar way we also take over on the basis of a PoA the management of your representative office or branch. We ensure a smooth flow of documents. Administrative matters with authorities are dealt with within the framework of local legislation. Communication with the head office is done in your native language.

Tasks performed by us:

- Consultation on and control of document flow
- Personal presence at state authorities, if necessary
- Signing of customs and tax declarations and other important documents under the Power of attorney and upon agreement with the parent company
- Signing of all labour contracts, employment orders (hire, dismissal, bonus) and other labour related legal documents
- Control over and signing of contracts, invoices, VAT invoices and acts of provided services
- Representing the interests of the company at negotiations according to instructions given by the parent company
- Agreement on who is authorized to guidance and instructions at the beginning, so that your business still is under your control

Advantages of Interim Management services

- The use of interim manager services ensures a prompt response to situations.
- Cutting expenses, especially during the crisis: payment at an hourly rate, without any additional fees
- The Russian interim manager speaks the same language as local institutions and is aware of local circumstances
- The use of interim manager services ensures that a company will be able to continue working in a transitional period and will not to lose contact with clients
- Assurance of employment issues: SCHNEIDER GROUP ensures the free and constant occupation of the position of the General Director
- Being guided by his/her experience in Russian market, an interim manager advises the client as an in-house consultant and looks for the most optimal decision for the parent company and as well as for its subsidiary

We offer interim management services in Russia, Kazakhstan, Belarus, Ukraine and Poland.



legal and business address

Legal address

In order to register a representative office or a subsidiary one needs to have a legal address, the principal office. Often companies may not have yet found their office in Russia at the moment of company registration, or the landlord may not want to sign a leasing-contract without the confirmation of the registration of a legal entity. We can provide our clients with a legal address at our offices.

Our legal address service package includes:

- Legal address and contact point for authorities: right to use our address as a legal address
- We inform our clients immediately about their incoming correspondence and communication from the state authorities

Business address

We assure that our clients' customers can reach them through a professional point of contact. Our offices are situated in the best locations of Moscow, St. Petersburg, Minsk, Kiev and Almaty, Aktau, Astana and Warsaw. Airports and train stations are within easy reach.

This is the easiest and the cheapest solution to start business right away; without confrontation with intricate formality which usually accompanies the foundation of companies and their registration.

Our business address services include:

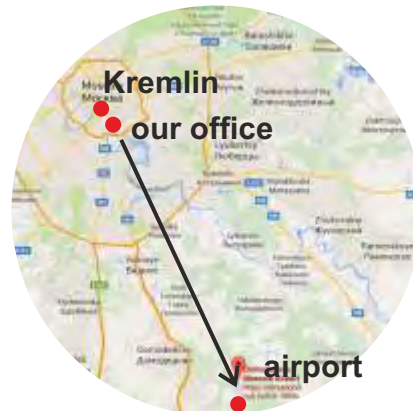
- Right to use our address as a legal address in Russia, Kazakhstan, Belarus, Ukraine
- Our clients' company name plate in the entrance area of our office
- Local phone and fax line: we answer and forward calls and faxes to our clients
- Mailbox / address: we inform our clients immediately about incoming correspondence
- Information hub: our clients can install information desk and banners and we provide information about their business to potential clients and partners and welcome their visitors in our office.

fully equipped offices

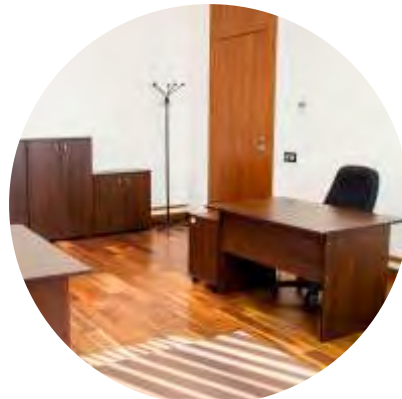
We offer our fully equipped office units which feature ready-to-use workplaces. Also our modern infrastructure is available for business use.

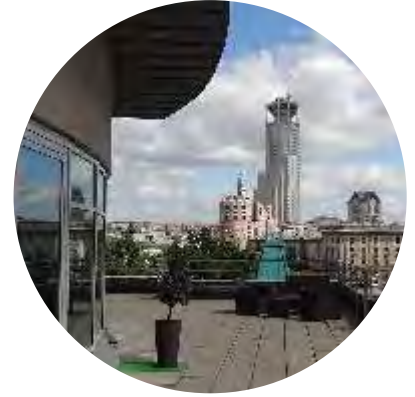
Our clients benefit from:

- Locations in the very city centre (in Moscow 2.5 km from Kremlin) at the inner side of the Garden Ring
- Support by our receptionists
- An own external phone numbers (phone and fax), including all costs for local and international calls
- Additional internal phone number
- Internet connection with unlimited traffic
- Usage of white printer and scanner at the reception, including consumables
- Cleaning service and general office management
- Office fully equipped with furniture, telephone, cupboard
- Usage of toilet and small tea kitchen



The Aeroexpress train goes directly to the airport (45 min)





event management

We support the events of our clients. If they do not have their own office in Moscow or prefer a neutral location for their event, we can provide them with the necessary service.

Professional assistance with

- Seminars
- Presentations
- Trainings
- Workshops
- Receptions
- Parties
- Meetings
- Conferences

Our services also include complete organization of our client's event.

We offer

- Modern meeting rooms with translation cabins
- Roof top terrace
- Technical equipment
- Catering
- Concept planning
- Registration coordination
- Accreditation
- Entertainment program
- Event schedule control

visa support and labor law

Visa support for Russia

Most foreigners need a visa to enter the Russian Federation and the type of visa depends on the purpose of the visit. In order to apply for a visa at the Russian consulate in the home country, one needs to have a visa invitation issued by an authorized Russian company. We offer our clients invitations for different kinds of visas.

When doing business in Russia there are usually two visa types that are most relevant: business visa and working visa.

While the latter enables one to work in Russia, a business visa does not allow a person to be officially employed in this country. It is restricted to business trips and even though it might be issued with a validity of one year, it allows you to stay in the country for 90 days only within a 180-days period. For a year this means a stay of maximum 180 days.

Work permits for Russia

Non Belarusian or Kazakhstani citizen, will need a work permit in order to work in Russia / CIS. There are generally two types of work permits available for foreigners:

Work permits for three years (HQS work permit)

The law foresees that highly qualified specialists with a monthly salary of 167 000 RUB who are employed at a Russian company or a foreign company branch are entitled to obtain a 3-year work permit. Since January 1, 2015 this possibility is also available for foreigners who are employed at a foreign company representative office in Russia.

The process

Neither quota, authorization from the employment center, nor an employment permission to hire foreign staff are required with this permit. As the labor permit is not transferable, it is exclusively valid for the employer-employee relation with the respective company. The work visa invitation should be obtained by the employer in his / her own name. After the work permit (plastic card) and a work visa invitation have been obtained, one has to apply for a 3-year working visa at the Russian consulate in his / her home country.

Registration

A foreigner must register with the migration authorities every time when entering the Russian Federation. With a 3-year work permit for highly qualified specialists however, registering for a visit of less than 90 days is not necessary.

How long will it take?

The application processes for a work permit and visa invitation takes 14 – 16 working days after all documents have been submitted to the Federal Migration Services. Issuing a work visa at the Russian consulate might take up to 10 days.

Work permit for one year (standard work permit)

A 1-year work permit can be applied for when the foreigner is to work at a representative office in Russia (till 2015) or if his monthly salary is less than 167 000 RUB. The process of obtaining this permit is more complex and time-consuming since it consists of several steps and usually takes up to 3 – 4 months. Since the FMS (Federal Migration Services) has a quota on the number of work permits it can issue, with some exceptions, the employer is recommended to start the process one year in advance.

Visa support for Kazakhstan

Most foreigners need a visa to enter Kazakhstan and the type of visa depends on the purpose of the visit. In order to apply for a visa at the Kazakhstani consulate in their home country, a foreigner needs to have a visa invitation issued by a Kazakhstani company and approved by the Diplomatic Corps.

When doing business in Kazakhstan there are usually two visa types that are most relevant: business visa and working visa. While the latter enables one to work in Kazakhstan, a business visa does not allow a person to be officially employed in the country; it is restricted to business trips, and although it is valid for one year, it allows the bearer to stay in the country for 60 days within a 180-day period. This means a maximum stay of 120 days within the space of one year.

The Kazakhstani government has authorized the extension of the existing 15-day visa-free regime for the highest investing countries (active since 15th July 2014) until December 31st, 2017. Under this regime, citizens of France, Germany, Italy, Japan, Malaysia, the Netherlands, the UK, the United Arab Emirates and the USA can enter Kazakhstan for up to 15 days without a visa. As of July 16th 2015 the visa-free regime will be expanded and applied to 10 more countries, including Australia, Belgium, Finland, Hungary, Monaco, Norway, Singapore, Spain, Sweden and Switzerland. If necessary, citizens of the abovementioned countries may apply for a 30-day business visa after arrival in Kazakhstan. According to governmental plans, a 30-day visa-free regime will be introduced for citizens of all OECD countries, Malaysia, Singapore and the UAE by January 1st, 2017.

South Korea, originally included in the 15-day visa-free regime, agreed upon a mutual 30-day visa-free regime with Kazakhstan in 2014. Furthermore, visa-free stays of up to 30 days are possible for citizens of Argentina, Tajikistan, Turkey and Uzbekistan. Visa-free stays in Kazakhstan of up to 90 days are currently possible for citizens of Armenia, Azerbaijan, Belarus, Georgia, Moldova, Kyrgyzstan, Mongolia, Russia and Ukraine.

Work permits for Kazakhstan

In accordance with the effective legislation of the Republic of Kazakhstan, employers wishing to hire foreign employees should apply for a work permit for that employee. Exceptions are:

- For the heads of Branches/ Representative Offices of foreign legal entities, only a work visas must be obtained (no work permit is required).
- Belarusian and Russian citizens do not need a work permit and a work visa in order to work in Kazakhstan.

Work permits - valid for one year

The law does not foresee any special types of work permits. For this reason, in case of hiring foreign employees in Kazakhstan, the employer should apply for a standard work permit which is valid for one year.

The process

The most challenging part of obtaining a work permit is the so called “Kazakhstani local content” requirement, which must be satisfied prior to application. At the moment of application for the work permit to any position, the proportion of local and foreign category I and II staff must be 70% to 30%, and for the position of a specialist the proportion of local and foreign staff of category III and IV must be 90% to 10%.

The categories are listed below:

- Category I positions – executive directors of a company and their deputies (General Directors and their deputies, members of the Board of Directors and their deputies).
- Category II positions – heads of structural subdivisions, heads of departments of a company. Please note that Branches/Representative offices are considered as structural subdivisions of a company. Positions of category II involve a managerial element (for example, head of legal department, head of administrative matters, managers of procurement department, etc.).
- Category III - specialists (engineers, lawyers, consultants, auditors, translators and etc.).
- Category IV- qualified workers (security guards, secretaries, assistants and etc.).

Please note that it is planned that “Kazakhstani local content” requirements will be abolished after Kazakhstan becomes a member of the WTO. So far, no new laws and regulations have been introduced to confirm this abolishment, but we expect adoption of new rules and regulations in the near future.

The process of obtaining the work permit takes about 3-6 months, depending on how fast the required documents are collected.

The Kazakhstani Government plans to implement a new system for issuing work permits starting from 2017.

Based on information provided by the Vice Minister of Health and Social Development, Birzhan Nurymbetov, the government is considering charging fees for the employment of each foreigner, starting from KZT 360 000. According to current information, the amount

charged will depend on the employer's industry, qualifications and general supply and demand of such workforce on the labor market.

Registration

A foreigner must register within the migration authority every time he/she enters Kazakhstan within 5 days of entry. However, citizens of highly developed countries must register within 90h calendar days.

Visa support for Belarus

Most foreigners need a visa to enter Belarus, and the type of visa required differs depending on the purpose of the visit. When doing business in Belarus there are usually two visa types that are most relevant: business visa and working visa. While the latter enables one to work in Belarus, a business visa does not allow a person to be officially employed locally and is restricted to business trips solely. Both multiple-entry business and working visas may be issued for one year, but only allow 90 days of actual presence in the country within the calendar year. This means a maximum stay of 120 days within the space of one year. To apply for a visa at the Belarusian Embassy or Consulate in the home country, a foreigner needs to have a visa invitation in a prescribed format issued by a Belarusian company. Belarus visas are provided based on the visa application of a prescribed format with an attached document confirming the consular fee has been paid.

Belarus entry visas can also be obtained from the Consular department located at Airport Minsk 2 upon arrival of a particular foreigner to Belarus. In such a scenario, documents required to obtain a visa should be submitted to Consular department at least two days prior to the arrival of respective foreigner.

Furthermore, visa-free stays of up to 30 days are possible for citizens of Georgia, Kazakhstan, Qatar, Cuba, Tajikistan, Turkey and Uzbekistan, Ukraine, and for citizens of Armenia, Azerbaijan, Venezuela, Israel - up to 90 days).

We offer our clients respective visa support services for the above types of Belarus visas.



Work permit for Belarus

In order to work in Belarus, most foreigners (namely, for those who have obtained a residence permit) should have a visa and work permit issued by the respective state authorities. The application process for a work permit includes several steps and has to be planned in detail.

From a practical perspective, the work permit is obtained by a Belarusian legal entity at which a particular foreigner to be employed (hereinafter – the Belarusian employer). Prior to applying for a work permit, a special search for suitable national candidates for this position on the local labor market should be performed by a Belarusian employer and an open vacancy announcement should be communicated to the Social Security Fund authorities. Foreigners should not be under criminal prosecution in their home country and may only work for one Belarusian employer.

The work permit is valid for one calendar year and issued for one specific position only. The Belarusian employer should file an application with the Migration Department of the local Police authorities, along with a copy of this foreigner's national passport and a

document confirming payment of the state fee. Depending on the status of a particular foreigner, other documents may also be requested by the authorities.

A state fee of five basis units (BYR 900 thousand as of December 12, 2015) should be paid out by the Belarusian employer prior to applying for the work permit. It takes approximately fifteen business days to obtain the work permit from the authorities. The work permit is issued in seven business days for those employers who are residents of the High Tech Park and Infopark members, or have entered into investment agreements with the Belarusian authorities.

The Belarusian employer is required to provide the Migration Department with a copy of the labor agreement concluded with the foreigner and relevant to the work permit issued within a month of its signing; otherwise, the work permit may be cancelled. The work permit can be prolonged for one year by filing an application with a set of prescribed documents at least fifteen days prior to its expiration.

Obtaining work permits for the Heads of Representative offices of foreign companies opened in Belarus is not required. Such foreigners go through a simplified accreditation at the Belarus Ministry of Foreign Affairs and obtain an accreditation card from that authority, which substitutes as the general work permit.

Temporary Residence Permit

A temporary residence permit is issued based on a work permit and allows the foreigner to stay in Belarus for a period of the work permit validity (one year). The duration of work permits for those foreigners who require visas to enter Belarus shall not exceed the duration of the respective working visas of either C and D types (normally – not exceeding 90 days). Additionally, family members of the foreigner are able to receive temporary residence permits. However, a disadvantage is that the foreigner might be recognized as a BY tax resident and may have to pay personal income tax (PIT) on his/her global income to the Belarusian budget, in addition to potentially losing certain benefits connected with his/her residence in another country (such as pensions or social insurance).

The temporary residence permit is issued by the Migration Department based on either a short term (type C) or a long term (type D) visa. Both allow staying in Belarus for up to 90 days per calendar year assuming that the employee has the full set of prescribed documents (i.e. work permit, insurance certificate, national passport, and copies of some internal documents of the employer). In practice, it does not take longer than fifteen business days to process the documents.

The temporary residence permit is issued in the form of a special stamp "Dazvol na chasovae prazhyvanne" pasted on the page of the foreigner's passport.

Work permit for Ukraine

Foreign nationals who want to work in Ukraine must obtain a work permit from the state authorities. This document should be obtained by a Ukrainian legal entity, the employer, who shouldn't have any tax or state duty debts. A search should be performed for suitable Ukrainian candidates on the labour market prior to applying for the work permit. Foreign employees should not be under criminal prosecution in their country of residence and may only work for one Ukrainian employer.

Work Permit

Work permits are usually valid for one calendar year and are issued only for one working position. The Ukrainian employer should submit an application to the State Employment Service, along with a defined package of documents. Other documents should be prepared by the employing company depending on the category of the foreigner who will be employed in Ukraine. A state fee of UAH 5,512 (as of September 1, 2015), which is four times the minimum monthly salary, should be paid by the employer when a work permit is approved and issued. It takes approximately two months to receive the work permit. Upon obtaining the work permit and concluding a labour agreement with a foreign worker, the employer is obliged to provide the State Employment Service with a copy of the agreement within three working days; otherwise the work permit may be cancelled. The work

permit can be prolonged for one year by submitting a smaller package of documents 30 days prior to the expiry date.

Temporary residence permit

A temporary residence permit is issued based on a work permit and allows the foreign employee to stay in Ukraine for the period of validity of the work permit, and freely cross the border. The foreigner may also stay in Ukraine for longer than 90 days within 180 days. Additionally, family members of the foreigner are able to receive temporary residence permits. However, a disadvantage is that the foreigner might be recognized as a tax resident of Ukraine and may have to pay personal income tax (PIT) on his/her global income to the Ukrainian budget, and/or lose certain benefits connected with his/her residence in another country (such as pensions or social insurance benefits).

The temporary residence permit is issued by the Ukraine State Migration Service based on a long-term visa (Type-D, which allows a stay in Ukraine for up to 45 days) and applications from the foreigner and its host party (usually the employer). The application for temporary residence should be accompanied by a defined package of documents confirming one's stay in Ukraine (e.g. work permit), insurance, and copies of some internal documents of the employer.

The usual document processing time is 14 days. After receiving a temporary residence permit, it is necessary to obtain a registration stamp at the local department of the State Migration Service within 10 calendar days; otherwise an administrative penalty may be charged on the foreign individual.

Visa support and work permit for Poland

Regulations on employing foreigners in Poland are specified in the act on promoting employment and labour market institutions of April 20, 2004 (consolidated text: Dz.U. [Journal of Laws] No. 69 Item 415, as amended) and in certain executive orders. Each foreigner who is not free from the obligation of having a permit to work in Poland and who wishes to be employed in Poland must have one of the following permits:

- Type A – For employees whose employer's registered office, place of residence, branch, facility or other form of business is located in the Republic of Poland,
- Type B – For employees who stay in the Republic of Poland for a period exceeding 6 months within 12 consecutive months for the purpose of performing a function in the management board of a legal entity which has either already been entered into the register of entrepreneurs, or which is still undergoing the registration procedure.
- Type C – For employees who perform work for a foreign company, its subsidiary, branch or representative office located in Poland for a period of over 30 days.
- Type D – For employees who perform work for a foreign employer without a branch, facility or other form of business in the Republic of Poland and is physically relocated to the Republic of Poland for the purpose of execution of a service of a temporary and casual nature (e.g. an export service).
- Type E – For employees who perform work for a foreign employer are physically relocated to the Republic of Poland for a period exceeding 3 months within the next 6 months for purposes other than those indicated in points B, C and D.

intercompany agreements in russia

Any economic transaction, including those between related parties, has certain tax and legal implications and must be supported with the relevant documentation, the main of which is a competently prepared agreement. In accordance with Russian legislation, any agreement between legal entities must be concluded in written form.

It is important to note that, despite the fact that international companies often need to conclude intercompany agreements on the proportional distribution of costs among the companies of the holding, according to Russian legislation such transfers of costs between related parties is prohibited.

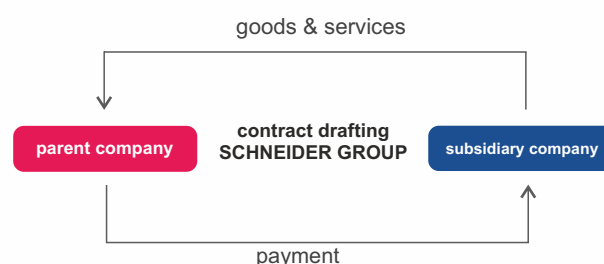
Costs transfer can be carried out exclusively within the frame of services rendered or works executed, that is, such costs must be directly linked with the specific services or works provided or performed in accordance with the agreement.

Frequently, newly created Russian subsidiaries of foreign companies or holdings start their activities on the Russian market by providing advertising and marketing services to their foreign parent company or group of companies, as well as searching for customers and promoting their goods and services on the new market.

Moreover, at the initial stages of their activity, Russian subsidiaries often do not yet have sufficient capital for the full implementation of market development activities. In this case, they need to build a proper financial system, including the involvement of their parent company.

SCHNEIDER GROUP's experts have extensive professional experience in the preparation of

such agreements, and offer consulting on all matters related to their conclusion. We can also thoroughly analyze the requirements of accounting, taxation and currency legislation, taking into account each client's specific needs.



Also, we constantly monitor any changes in legislation and inform our clients on the most important updates and their business consequences.

With regard to related parties, we can provide support for the preparation of the following types of agreements:

- service agreements, such as information, consulting, marketing, advertising services, and IT support services;
- agency agreements on the search for and acquisition of clients;
- goods supply agreements between Russian and foreign companies, both import and export (we can also offer consulting services on customs clearance under such agreements);
- license and sublicense agreements, for example on the transfer of rights to use trademarks or software;
- lease and sublease agreements, for example if a subsidiary company or a representative office leases space from another Russian subsidiary of the same holding;
- loan agreements between a parent company and its subsidiary to finance the latter.

tax consulting

Many Western companies underestimate the seriousness of tax consequences during the initial stage of the business set up that takes place in Russia, Kazakhstan, Belarus, Ukraine and Poland. Once a decision is taken, it is very difficult to have it reversed. Therefore, comprehensive advising prior to company registration is crucial.

We offer consultation in the following areas:

- Tax advice in the early stages of doing business;
- Detailed advice on taxation and documentation of various domestic and international operations which are subject to domestic law and international agreements on avoidance of double taxation (purchase and sale of goods, service rendering, performance of work, granting of licenses and loans, investment in property, free property transfer, etc.);
- Tax due diligence;
- Analysis of all company operations to determine tax consequences / risks;
- Recommendations to eliminate / minimize possible tax risks;
- Development of international policies and regulations (tax policy, provisions for bonuses, provisions for business trips, etc.);
- Drafting contracts taking into account tax legislation (including labor contracts and civil law);
- Analysis of existing contracts from a tax legislation perspective;
- Recommendations regarding the preparation of tax documents;
- Representing the interest of the company in front of the tax authorities, drafting complaints on the activity / inactivity of the tax authorities, preparation of objections towards decisions of tax audits;
- Preparation of and / or recommendations for the compilation of notifications of controlled transactions in accordance with the law on transfer pricing;
- Preparation of and / or recommendations for the compilation of documents to verify compliance with the 'arm's length' principle in accordance with the law on transfer pricing;
- Providing consultation to individuals on tax issues and preparation of PIT statement (personal income tax)

Russia

Profit Tax (for companies)	20% (a reduction down to 15.5% is possible in special economic zones and certain regions)
VAT (Value-Added Tax)	0%, 10%, 18%
Personal Income Tax (no sliding scale, hardly any exceptions)	13 % for residents, 30 % for non residents 13 % on salaries of highly qualified specialists (HQS) independent from their tax residence 13% for residents, 15% for non residents on dividends 35% on special kinds of income
Social Contributions	30% – 15.1% (0 % for temporarily staying HQS) 22% pension fund (up to 796,000 RUB in 2016, then 10% until the end of the year) 2.9% social security fund (up to 718,000 RUB in 2016, then 0% until the end of the year) 1.8 % social security fund (up to 718,000 RUB in 2016, then 0% until the end of the year) for foreign temporarily staying foreign employees excluding HQS 5.1% fund of medical insurance (no limits are foreseen)

Kazakhstan

Profit Tax (for companies)	20% + 15% branch profit tax
VAT	12%
Personal Income Tax	10% 20% for non-residents
Social Contributions	21% for country residents 11% for foreign employees

Belarus

Profit Tax (for companies)	18%, 25% for banks and insurance companies
VAT	20%, 10%
Personal Income Tax	13%
Social Contributions	max. 34% employer (country resident) 1% employee (country resident) 0% foreign employees

Ukraine

Profit Tax (for companies)	18%
VAT	20%, 7% for medical production
Personal Income Tax	15% applies to monthly income up to an amount equal to 10 times the minimum monthly wage (as from January 1, 2015 - UAH 12,180 (equivalent to approx. €500)). 20% is applied to the excess +1,5% military duty
Social Contributions	max. 36.8% employer 3.6% employee

Poland

Profit Tax (for companies)	19%
VAT	0%, 5%, 8%, 23%, exempt
Personal Income Tax	18% up to 85 528.00 PLN of annual income or 32% above 85 528.00 PLN gross income
Social Contributions	20.61% employer 13.71% employee

transfer pricing

Russia

In 2012, new transfer pricing regulations that are largely in line with the OECD Transfer Pricing Guidelines came into force. According to the legislation, the following transactions are subject to control:

Cross-border transactions

Transactions between related parties, e.g. a supply agreement between a foreign parent company and Russian subsidiary. Please note that these transactions are subject to control without any limits; thus all transactions between the foreign parent-company and Russian subsidiary will be subject to control. Also, these transactions will be subject to control even if they are performed through third parties (such as dealers, agents) which do not perform any additional functions, do not assume any risks and do not use any assets for arranging the sale of goods (or performance of work, provision of services).

Transactions with independent parties located in the territories deemed by the Ministry of Finance as offshore zones (the so called "black list countries") and transactions with exchange traded commodities (crude oil and oil products, ferrous and non-ferrous metals, fertilizers, precious metals and gemstones) are controlled if the transaction amount exceeds 60 million RUB per calendar year.

Transactions in Russia

Transactions between related parties, if the transaction amount exceeds 1 billion RUB, are controlled unless the following conditions apply:

- The transactions are performed between members of the same consolidated group of taxpayers or
- Both parties are registered within the same region of Russia, do not have economically autonomous subdivisions in other regions of Russia, do not pay income tax to the budgets of other regions and do not have tax losses.

The following intra-Russian transactions between related parties, in case that the transaction amount exceeds 60 million RUB per calendar year, are controlled if:

- One party of the deal is exempt from profit tax or applies a 0% tax rate (e.g. companies and individual entrepreneurs which apply the simplified tax system or companies which participate in the "Skolkovo" project)
- One party of a transaction is a taxpayer of an extraction tax on commercial minerals
- One party of a transaction is a resident in a special economic zone while the other is not a resident in the same special economic zone
- Transactions with aggregate income of more than 100 million RUB per calendar year in case one party applies the unified agricultural tax or a unified imputed income tax (regarding certain type of activities) while the other party pays profit tax under the general rules.

In particular the parties will be considered to be related if one party directly or indirectly controls more than 25% of the entity of the other party; one person holds a share greater than 25% of both entities; as well as if the two parties have the same individual as the general director; or

more than 50% of the Board of Directors of these companies are the same individuals or are appointed / chosen by the same individual. Please note that the tax authorities can go to court to establish that two companies are deemed to be related on "other" grounds which are not directly provided by the Law.

Obligations of the Taxpayer

Russian taxpayers are obliged to notify the local tax authority about controlled transaction by May 20th of the year following the year in which the transaction took place (so called "transfer pricing notification").

If the tax authorities initiate a special transfer pricing tax audits, the taxpayer will be required to provide within 30 business days the transfer pricing documentation to prove that its transactions were at arm's length.

Ukraine

Transfer pricing regulations in line with the OECD Transfer Pricing Guidelines entered into force in Ukraine only in September 2013. Like in Russia taxpayers are obliged to notify the tax authorities about controlled transactions and the tax authorities are entitled to request transfer pricing documentations to check whether the taxpayer complied with the arm's length principle. Unlike in Russia, the transfer pricing regulations provide for a general threshold (until 2014: 50 million UAH, from 2015 on: 20 million UAH) with regard to controlled transactions. Furthermore, the regulations focus on transactions with foreign companies (affiliated companies or offshore companies). Originally, transactions with certain Ukrainian companies enjoying tax benefits were also covered by the regulations, but since 2015 these transactions were excluded from the scope of the transfer pricing rules.

Kazakhstan

Transfer pricing regulations have been in force in Kazakhstan already in 2008. Foreign trade transactions with affiliated entities, transactions with offshore-entities or entities enjoying tax privileges are regarded as controlled transactions. Transfer pricing control is executed by tax and customs authorities. In practice the authorities focus mostly on large companies. So, for example, only the largest 300 companies in Kazakhstan are obliged to submit reports on their controlled transactions.

Poland

Polish transfer pricing regulations generally follow the OECD approach as Poland is an OECD member state since 1996. The prices agreed between related parties should be determined on the market level. In case of performing transactions with related parties taxpayers are obliged to report this fact to tax authorities in annual tax declaration and prepare detailed transfer pricing documentation. Upon request of the tax authorities such documentation has to be presented within 7 days. Since January 1, 2015 transfer pricing regulations were extended to transactions with partnerships which were outside of transfer pricing restrictions before that date.

Belarus

In Belarus, the progression of transfer pricing rules occurs gradually. They were first introduced in 2012 and applied to transactions on real estate sales and international trade transactions on the sale of goods. Starting from 2014, the scope of controlled transactions gradually expanded and, from January 1, 2016, the controlled transactions are considered those on sales and / or acquisition of immovable property, as well as sales transactions and / or the acquisition of goods, works, services, and property rights.

All controlled transactions are joined into 3 main groups:

Real estate transactions	Foreign trade transactions	Internal transactions
Sales and (or) purchases, including those with housing bonds or by taking part in shared-equity construction	<p>In case the sum of transactions costs with the same entity within 1 year:</p> <p>(1) Exceeds 1 billion BYR (40k EUR):</p> <p style="padding-left: 40px;">With the affiliated party With the resident of an offshore zone</p> <p>Including cases when a transaction was made via a dependent agent or via a chain of transactions.</p> <p>(2) Exceeds 10 billion BYR (400k EUR):</p> <p style="padding-left: 40px;">On strategic goods</p> <p>The transaction is made by a “big” payer (the revenue for 1 year is more than 46.5 mln EUR)</p>	<p>In case the sum of transactions costs with the same entity within 1 year:</p> <p>(1) Exceeds 1 billion BYR (40k EUR):</p> <p style="padding-left: 40px;">With the affiliated party which uses tax benefits (e.g., High-Tech Park, free-trade zone etc.)</p> <p>Including cases when a transaction was made via a dependent agent or via a chain of transactions.</p>

The rules allowed a discrepancy of 20% with market prices, which was also previously possible in Russia and Ukraine.

financial and tax due diligence

When considering the acquisition of a company, it is usually rather difficult to know in advance what kind of company you are buying and what kind of risks you might face. That is why due diligence is crucial for Western companies.

Due diligence is extremely important in Russia, Kazakhstan, Belarus, Ukraine and Poland for the following reasons:

Provisions are not usually formed and expenses are often booked in later periods

Profits are often deducted through a related or affiliated company

Ownership situations are sometimes unclear

By conclusion of transaction tax risks of the previous periods are usually transferred to the buyer

We conduct due diligence practically and quickly in all regions of Russia, Kazakhstan, Belarus, Ukraine and Poland and give an accurate overview of the actual situation of the target. Furthermore, we provide practical advice for purchasing a company and for solving any potential problems.

We have the expertise to advise and support you by solving organizational problems, restructuring or tax, accounting and personnel issues after the acquisition.

We can also support our clients in performing internal audits of their subsidiary.

accounting, reporting and transformation to IFRS, US-GAAP, HGB

The accounting system in Russia, Kazakhstan, Belarus and Ukraine is based less on commercial principles and more on extremely formal, documentation-specific fiscal regulations. If the correct documents are missing, the finalized business transactions will not be processed, which can lead to a disruption of business activities for the company.

In addition, one is obliged to file and submit his / her company's balance sheet, profit and loss statement and tax returns on a quarterly basis to the local tax authorities. This has to be done irrespective of the size of the company. Due to the above-mentioned factors, accounting in Russia, Kazakhstan, Belarus and Ukraine involves a significantly higher time and labor investment than in countries with Western reporting regulations.

We submit tax returns electronically. With regard to VAT return it is necessary to submit it in electronic form. Please note that several documents for example, purchases and sales books, registers of the received and issued VAT-invoices can be provided to the tax authorities in electronic form.

Since the foundation of our company in 2003, we have specialized in the outsourcing of accounting for our clients' subsidiary companies and representative offices. We carefully prepare the numerous reports. We submit our clients' documentation to the local tax and statistical authorities and can respond to their further inquiries, when necessary.

Pay roll accounting in the CIS

Many Western companies underestimate the complexity of payroll accounting in Russia, Kazakhstan, Belarus and Ukraine.

Unlike Western payrolls, a large amount of personnel administration documentation, such as overviews of working hours and internal directives, known as "Prikaz", have to be submitted in local payroll accounting.

Payroll accounting in these countries is much more complicated than in western countries. For example, when taking vacation, an employee does not receive his / her regular salary, but the average salary of the previous 12 months. While the regular salary in Russia is reduced by unaccomplished working days, the salary during vacation is based on calendar days, which leads to even more complexity and non-transparent calculations in the local payroll accounting.

Within our accounting services we are glad to take over a complete payroll accounting of our client's company.

Transformation to IFRS / US-GAAP / HGB

Based on the reports prepared for the local tax authorities by common accounting practice in Russia, Kazakhstan, Belarus or Ukraine it is impossible to perform a financial analysis which would produce an accurate overview of the economic situation of the local subsidiary. For example, cost unit calculations are practically unknown in the local accounting system. Even the display of a cost type in the profit-and-loss statement is not typical.

For this reason we produce additional reports for our clients based on the requirements of the Western financial accounting (such as

IFRS / US-GAAP or HGB), which we can prepare either in English or in German. Our financial experts transform local accounting into Western financial reporting. This is useful for our client when it comes to consolidation.

In addition, our financial and tax experts make sure that our client's financial statements do not contain any irregularities that could lead to problems in the future. Thus our clients can continuously observe the financial situation of their subsidiary in Russia, Kazakhstan, Belarus and Ukraine and concentrate on their primary business, rather than spending time dealing with bureaucratic issues.



internal audit

An internal audit serves the interests of the owners and management by identifying risks and providing consulting intended to improve management and control processes, thereby helping the company achieve its objectives. Particular attention is paid to the analysis of the condition of the internal control system.

An effective internal control system involves performing foreseen procedures at all levels of the company and allows the company management to make informed decisions based on reliable and up-to-date information, facilitating the growth of the company and enhancing its market value.

Our specialists in the offices in Russia, Belarus, Kazakhstan, Ukraine, Poland, provide services in the following areas:

- Check of statutory and tax accounting and reporting, including management reports with the view to assess the risks connected with reliability of the reporting and its compliance with local legislation;
- Support in conducting a corporate internal audit done by members of a head office in a local subdivision of a foreign company;
- Development of monitoring systems and adaptation of the relevant company's processes and procedures to those in the parent company, as well as to the applicable local legislation;
- Improvement of the existing internal control system in the company, assessment of the adequacy of the applied procedures and actions to the level of potential risks, check of actual implementation of the procedures. In the course of providing the services, great attention is paid to the effective control of costs and assets;

- Effective evaluation of the company's subdivisions' activities, preparation of recommendations on optimization of internal processes. The most demanded service is the assessment of the accounting service efficiency;
- Tax and finance Due Diligence;
- Check the company's contractors using official databases, analysis of the available data regarding the financial status of the contractors and detecting of judicial cases. Identification of interdependent parties and contractors falling under the definition of bad taxpayers. Checking of contractors in the US and EU sanctions lists.

Our main advantages:

- Possibility to use SCHNEIDER GROUP experts in different spheres (taxation, accounting, legal, IT, import and certification);
- Flexibility in the engagement of audit resources. In case of necessity to conduct an urgent internal audit a company will not have to enlarge their staff or divert the existing internal resources from other projects;
- Fast entering into the project, compliance with deadlines;
- Extensive experience in conducting audits of small and medium-sized businesses that do not have their own internal audit departments, and, as a consequence, application of the developed effective methods of internal audit;
- Our own long-term experience in accounting and preparation of reports for the subsidiaries of international companies.

b2b electronic document interchange (EDI)

The specifics and practical aspects of Russian accountancy are very well known to foreign companies which are operating in the Russian Federation. Documents like the Act, Nakladnaya and Schet-Faktura require hours of printing, manual stamping and signing, mailing and storing. All these processes are very time consuming.

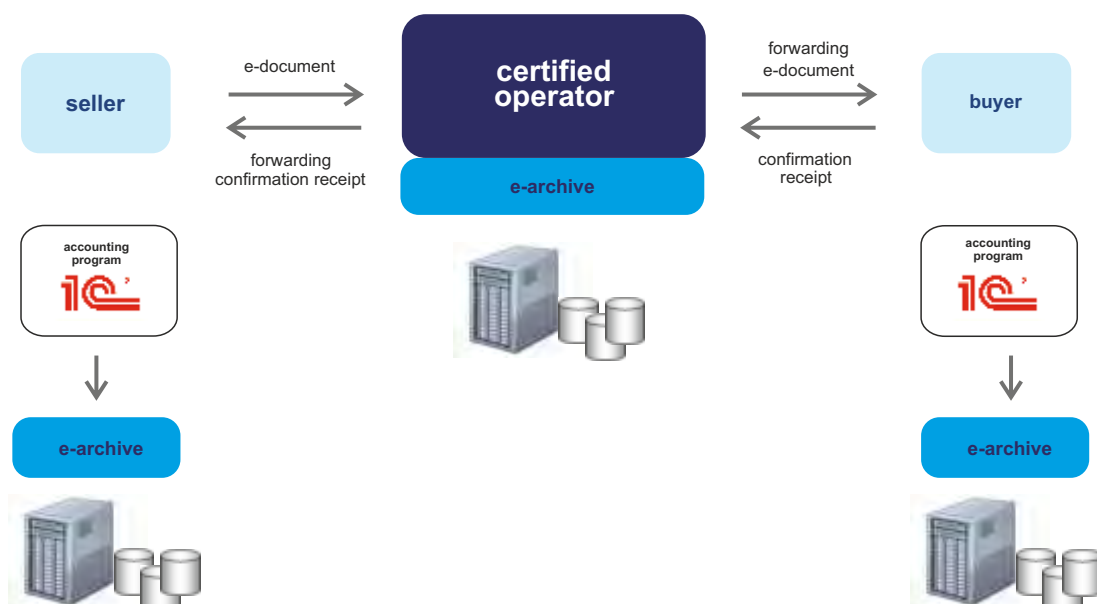
The Federal Law of the Ministry of Finance (MinFin), FZ-402, caused a real 'revolution' in Russian accounting. One of its most important solutions was the introduction of the Electronic Document Interchange (EDI). Accounting documents can now be created, sent, confirmed and archived electronically.

EDI significantly simplifies document flow between two companies and saves hours of work. This puts an end to piles of paperwork and facilitates document interchange transparency.

It is possible to create, interchange and confirm the following documents, legally binding and acceptable by the tax authorities:

- VAT-Invoice ("Schet-Faktura")
- Agreement
- Goods Acceptance Protocol ("Nakladnaya")
- Reconciliation Act
- Service Acceptance Protocol ("Act")

In addition to the documents mentioned above, we can support our client implementing other message types, e.g. ORDERS, ORDRSP, PRICAT, in different formats (XML, EDIFACT, etc.).



it / erp systems

Accounting automation (ERP)

The accounting program 1C (pronounced 1S) has been developed by the company of the same name, and represents the Russian, Kazakhstani, Belarusian and Ukrainian fiscal requirements very accurately. Therefore 1C enjoys a de-facto monopoly position in these countries. Unfortunately, the standard version of this program is not prepared for a Western-style financial analysis.

Our IT specialists have expanded the functional capacity of this program. Thanks to the additional functions, 1C can be integrated into the Western reporting system. Furthermore, our client can tie in the accounts structure specified by the tax authorities with their internal accounts structure. Due to the targeted creation of the standardized entries, our clients will receive automatic, economically comprehensive numbers in their Western reporting system.

These can be tracked down into individual transaction segments, which allows maximum transparency. Consequently the client connects his / her local business reality with Western management requirements.

Through the integration of 1C in our client's Western reporting system, we provide the implementation of his / her internal business processes and standards in the local subsidiary.

With our team of SAP experts we can also support our clients with the implementation of SAP in their subsidiary.



expert recruiting (accounting, tax, it)

Most companies with expatriate management rely on their local chief accountant when it comes to issues of Russian, Kazakhstani, Belarusian, Ukrainian or Polish bookkeeping and tax regulations. However, a chief accountant who lacks professional competence could present a high risk exposure to the company. We provide recruiting services in several fields where we ourselves have expertise, but our particular focus is on accounting and financial positions – where we have developed rigorous candidate evaluation procedures.

We will be pleased to help our clients to identify, examine and pre-select suitably qualified and experienced candidates in the fields of accounting, controlling, finance and IT.

Our recruiting concept

In order to provide our clients with professionally qualified candidates in accounting we have developed an integrated concept of staff recruitment.

It is a modular concept from which specific individual tasks are carried out depending on each client's requests. Each module can be carried out separately or in combination with the others at a competitive fixed price. When completing the tasks of each module, we involve experts from different departments – from legal to the internal control department.

Our entire range of expertise is at your disposal.

department analysis

diagnosis | optimization proposal | tailored service

job description

requirements | legislation rules | corporate culture | temporary job description

search and selection

own database of experts | professional software | image film, events | 3-step assessment

professional testing

professional competence test | case study | tailored to position and customer needs

labor agreement

legislative requirements | organization chart | safety regulations | confidentiality

training

hard skills | soft skills | technical skills | individual development plans

recruiting concept modular

3-stage assessment

We have developed a special procedure for the selection of candidates, and further refined it based on our experience. Our experts find for our clients the best suitable candidate within a shortest period of time. At the same time this allows us any time to adapt the search to the individual needs of our customers.

1. Verbal interview with a recruiting expert
2. Professional competence test developed by our experts and tailored to each individual customer's needs, followed by a second interview with an in-house accounting or senior finance expert
3. Final approval interview with one of our Directors / Partners of SCHNEIDER GROUP

Our customers receive an objective and comprehensive assessment of the competences of each candidate, his / her theoretical knowledge and practical skills, as well as a detailed assessment of his / her personal characteristics.

Competence Test for Chief Accountant Test by Area of Accounting	Knowledge Evaluation
1 Accounting and tax legislation	75 %
2 Fixed assets and intangibles accounting	60 %
3 Inventories accounting	65 %
4 Finished products and goods accounting	55 %
5 Cash and bank accounts accounting	60 %
6 Debtors and creditors accounting	65 %
7 Payables and receivables accounting	65 %
8 Accounting of expenses and revenue from primary activities	90 %
10 Accounting of non-operating revenue and expenses	95 %
11 VAT accounting	66 %
12 Profit tax accounting	70 %
Overall assessment for Chief Accountant position	72 %

business workshops

We are one of the market leaders in the sphere of business set up, accounting outsourcing and consulting in Russia, Kazakhstan, Belarus, Ukraine and Poland. We are a team of experts who have knowledge and experience to share. We stand for the highest quality, tailor-made solutions, fast response and effective communication.

starsacademy is our corporate training institute which provides a wide range of trainings and seminars with focus on hard and technical skills, including conferences for departments and business lines and trainings for newcomers.

With **starsacademy** we support and further develop our clients' professional hard skills.

What does "stars" stand for?

S Standards We respect and follow the high standards of quality, efficiency and security which help us to provide the best support to our clients.

t Timing Time is one of the most valuable assets for any specialist and any business. We use it very carefully, constantly working on effective time management.

a Accuracy This is one of the main characteristics of our professional team. Accuracy is necessary to ensure quality which leads to a successful business.

r Responsibility We act responsibly in all spheres of our activity: in consulting our clients and business partners, in keeping their commercial data well secured and also in our social spheres.

S In total, this concept leads to success!

starsacademy offers

- Fully equipped training rooms
- Hot training topics with practical application
- Workshops in three languages: Russian, English, German
- Increased efficiency after the first training
- Career and personal growth
- Comprehensive administration and IT-Support for the training session

Topics for individual workshops

Import handling

Import regulation
Product certification
Logistic chain and warehousing
Export documents & electronic customs clearance

Accounting

Introduction into local accounting
Year-end closing, quarter-end closing procedures
Differences between IFRS and for example Russian accounting standards
Differences between tax and statutory accounting
Overview of primary accounting documents
P&L planning
Analysis of Finance department regarding efficiency, restructuring and development
Electronic document exchange (EDI)

Internal control

Efficient check of the Russian statutory and tax accounting and reporting
How to establish efficient internal control processes
What to consider setting up the document flow

Legal

Intercompany agreements
General Director change - procedures
Registration of legal entities and representative offices
Comparison: subsidiary, representative office, branch
Charter change
Obtaining a work permit
Residence issues

Taxation

Transfer pricing
Taxation of foreigners in Russia, Kazakhstan, Belarus, Ukraine, Poland
Progressive tax approaches
Emergence of permanent establishment
Introduction into the application of different VAT rates

IT / ERP

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Interface for IFRS in 1C
Technical solutions for IFRS transformation

HR

Recruiting – How to identify the right candidate?
Introduction to HR documentation
Payroll & salary
Outstaffing
Dismissal procedures in Russia, Kazakhstan, Belarus, Ukraine, Poland
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- Individual workshops on the hottest and most relevant topics (please see the list above)

references



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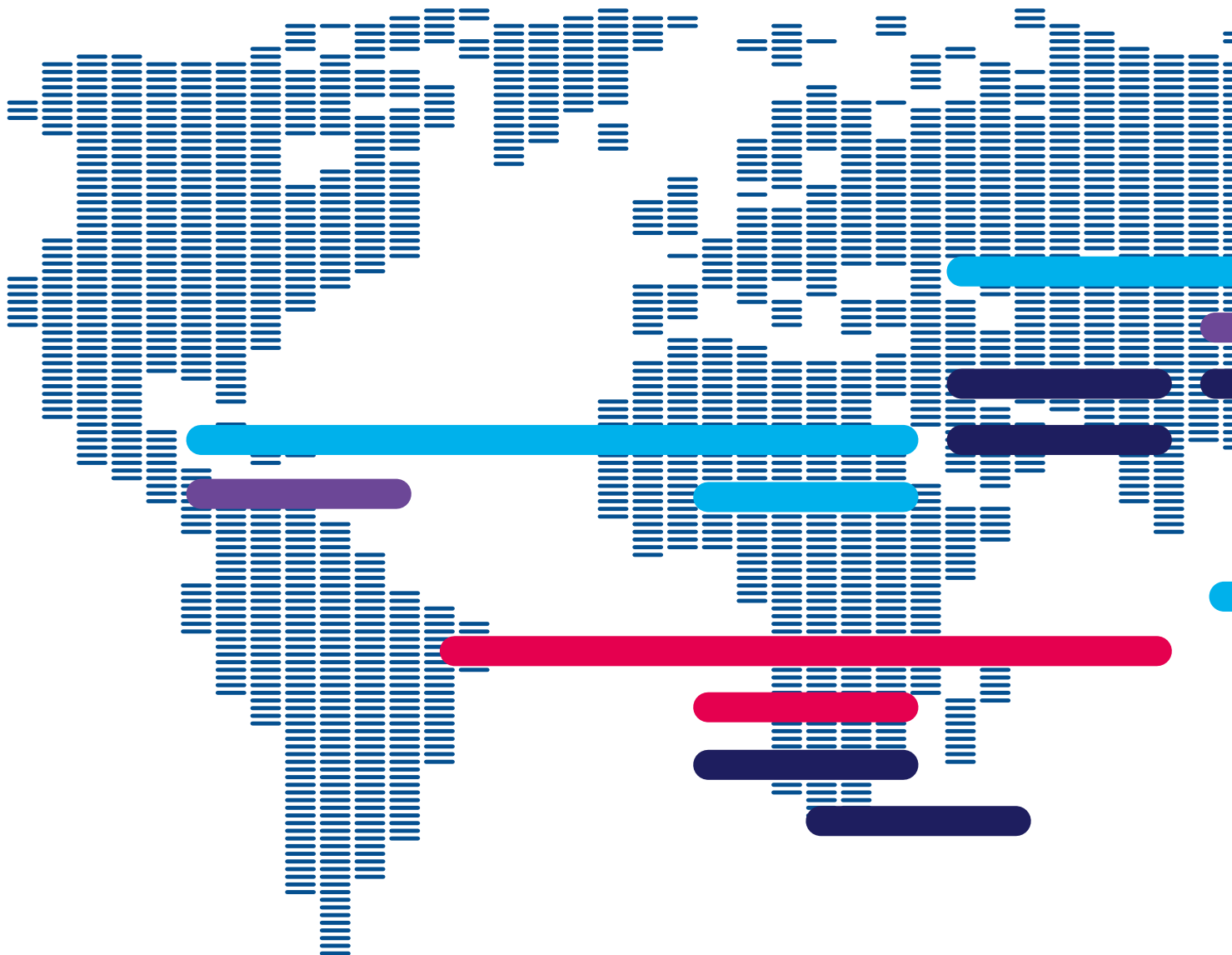
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