

## Dutch Substance Requirements

1. At least half of the statutory (and decision making) board members of the taxpayer are a resident or should be factually located in the Netherlands.
2. The board members resident in the Netherlands have the required professional knowledge to perform their duties satisfactorily, which duties in any case include decision making, based on the own responsibility of the taxpayer and within the context of normal group involvement, with respect to the transactions to be concluded, as well as taking care of a proper execution of the transactions to be entered in.
3. The taxpayer has qualified personnel at its disposal to properly execute and register the transactions entered.
4. The Dutch company should have an office space available (leasing or holding in property) for a period of at least 24 months. This office space should not only be rented (or held) but also be used in the Dutch company's operations and should be appropriate for its business activities.
5. The annual salary cost relating to the financing and/or licensing activities of the Dutch company should be at least €100K.
6. Board decisions are taken in the Netherlands.
7. The main bank accounts are managed and kept from the Netherlands.
8. Bookkeeping takes place in the Netherlands.
9. The taxpayer's business address is in the Netherlands.
10. The taxpayer is (to the best of its knowledge) not treated as a tax resident of another state.