

DATED ON **21 May, 2009**
in Nicosia, Cyprus

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE

INDIAN **INDUSTRIES ASSOCIATION**

AND

**TRANTAFYLLIDES & CHRISTOFOROU LAW
FIRM**

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (hereinafter referred as "**MOU**") is made on the 21st May 2009

BETWEEN:

THE INDIAN INDUSTRIES ASSOCIATION, an association that acts as an apex representative body of Micro, Small & Medium Industries in India with a strong membership base of more than 7000 Micro, Small and Medium Scale Units having its **National** office at 3E / 6, Jhandewalan Extension, Near Videocon Tower, New Delhi-110055, India and **Registered Office at IIA Bhawan, Vibhuti Khand Gomati Nagar, Lucknow- 226010,India** (hereinafter referred as "**the IIA**") which expression shall include where the context so admits its successors and assignees), on the one part,

AND

TRIANTAFYLLIDES & CHRISTOFOROU LAW FIRM a lawyers Collaboration having its registered office at 27, Evagoras Ave. Irene Building, Suites 31-33, 52 & 54, Nicosia, Cyprus (hereinafter referred as "**the Firm**") which expression shall include where the context so admits its successors and assignees), on the other part,

AND

BECAUSE Cyprus, due to its strategic position has over the years been established as a centre of trade as it is a crossroad between Europe, Africa and Asia. Throughout the years, Cyprus has developed as a world renowned International Business Centre. The country's political and economical stability, preferential taxation system, solid legal infra-structure, efficient administration and the competitive incorporation packages available, made Cyprus one of the best options for one's corporate endeavours.

Following the accession of Cyprus to the EU a new economic era has began. This new era is offering an impressive number of additional economic advantages to investors and entrepreneurs who are interested in doing business worldwide using Cyprus as their business base. The Cyprus economy is exhibiting dynamism and flexibility; these characteristics coupled with new advantages offered by the EU membership.

With the enactment of its new Tax Legislation on January 2003 and the abolition of offshore regime, Cyprus has put a simplified, effective and transparent tax system in place that is fully EU, OECD, FATF, and FSF compliant.

Cyprus, one of the smallest European low tax jurisdictions, is a suitable place for locating an intermediary company due to the island's combination of tax treaties, low-tax regime and a mature legal accounting and banking infrastructure. Dividends can flow through the Cyprus company totally tax free and the company can be used to take advantage of the extensive network of double tax treaties.

The result of registering a Cyprus Company is a stable EU, non-offshore, tax competitive jurisdiction with exciting tax planning potential for EU and Non EU clients alike. The major advantages for using Cyprus in you international business ventures are:

- Corporate tax of only 10%, the lowest in the EU,
- Tax relief for group losses,
- Full adoption of the EU Parent Subsidiary Directive,
- Full adoption of the EU Mergers Directive,
- EU Member State,
- Extensive network of Double Tax Treaties.

AND

BECAUSE IIA's members wish to take advantage of the preferential low tax regime of Cyprus through the formation of Cyprus International Business Activities Companies (herein after referred as "IBCs"),

AND

BECAUSE IIA's members wish to register trade marks with effect in Cyprus, Europe and/or Worldwide.

AND

BECAUSE the Firm has a long experience in the relevant areas of the law, namely corporate, litigation, tax and trademark registration has agreed to offer its services to the members of IIA.

THE PARTIES AGREE AS FOLLOWS:

1. Preamble

The parties fully adopt the preamble of the memorandum as an integral part of the MOU.

2. Company Registration and Management

2.1 The Firm will undertake to incorporate IBCs and provide full corporate services for the members of the IIA at the following rates:

- a) Company Registration €1400 plus VAT,
- b) Provision of Nominee Directors, Shareholders and Registered Address €1300 plus VAT per annum,

The above mentioned prices include account opening with a commercial bank in Cyprus and registration with the VAT and the Inland revenue Department.

The Firm will be obliged to forward all documents, materials and printed information received to the shareholders of the company via fax or e-mail.

The Firm will also provide to every businessman of IIA incorporating an IBC, with the Firm, office space and secretarial support for a maximum of 15 days per year without any additional cost. Any member interested in using the office space and the secretarial support will notify the Firm 10 days prior to arrival. All remaining days not used within a calendar year will be lost.

All fees for the registration of the IBC and provision of nominee directors, shareholders and registered address will be paid at time of submitting the company

documents for registration with the Companies Registrar, if member is present in Cyprus.

In case the member is not present in Cyprus, then 50% of the total will be paid at the time of submitting the company documents for registration with the Companies Registrar and remaining 50% when the incorporation procedure is concluded.

3. Company Names Reservation

The Firm will reserve Company names for members upon request. The fee for the reservation will be €50.00 and it will be deducted from the agreed incorporation price when the Company is finally incorporated.

4. Trademark Registration

The Firm will also provide trade mark registration for the members of IIA at the fixed price of €500.00 plus VAT, plus costs. Full break down of costs paid by the Firm for the registration of the trade mark will be presented to members along with the invoice for the services offered.

5. IIA's Obligations

IIA expressly agrees that will promote among its members the concept of IBC registration and trade mark registration as a means to benefit from the low tax regime of Cyprus and further covenants that all members will use the services of the Firm exclusively.

The exclusivity of the co-operation between the Firm and IIA members will extent to any legal issues arising including litigation and arbitration.

6. Confidentiality

The Firm Employee shall not (except in the proper course of his duties hereunder or as ordered by the Court of competent jurisdiction or any other appropriate authority) either during or after the period of the business relationship divulge to any person or use for its own purposes and shall during the continuance of the provision of the services use the best endeavours to prevent the publication or disclosure of any trade secret or any confidential information concerning the member of IIA, the Company or any Group Company or any of its members, associates, customers or clients which have or may come to knowledge during the business relationship.

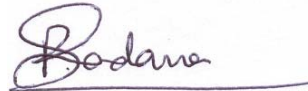
In true confirmation of the above terms of this MOU, the Parties place their signatures below:

WITNESSES



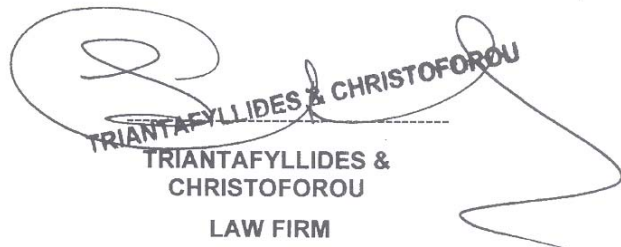
1. D.S.Verma,
Executive Director
Indian industries association

THE PARTIES



Praveen Sadana
President,
INDIAN INDUSTRIES ASSOCIATION

2. 



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