

Press release, 18 January 2016, Bucharest

Transfer Pricing Services Establishes a Strategic Alliance with Nestor Nestor Diculescu Kingston Petersen

Transfer Pricing Services (TPS), the main independent tax consultant in transfer pricing, and **Nestor Nestor Diculescu Kingston Petersen (NNDKP)**, one of the strongest law firms in Romania, announced their strategic partnership. The objective of the NNDKP-TPS alliance is to continue to offer a complete package of legal and tax services for the Romanian companies part of a national or multinational group, in the context where the intra-group transactions have become one of the "hottest" topics in the area of fiscal services.

"Having understood the companies' need for complex, interdisciplinary services, NNDKP was the first Romanian law firm that integrated the tax consultancy and the legal services. Now, when transfer pricing is becoming increasingly important at national and international level, NNDKP has decided to create the alliance with TPS to consolidate its resources in this area. We are considering the recent practice of the Romanian authorities in the field, as well as the future changes deriving mainly from the action plan against BEPS. Our clients' scope is to meet the requirements of the tax legislation and, from this perspective, complying to the transfer pricing regulations has a key role in their approaches", declared Ion Nestor, one of NNDKP's Founding Partners.

A G8 initiative later developed by OECD, The Action Plan against BEPS is likely to trigger changes in the fiscal legislation related to the business models of the groups of companies, focusing on the economic substance of the transactions and on the arm's length nature of the intra-group transactions. Following the international trends, the Romanian authorities are expected to place a growing importance to these issues.

"Everything that is related to the transfer pricing is now considered, in the entire world, as the scapegoat for the income below expectations that the tax authorities obtain from taxing the companies' businesses. Legislations are changing and so does the way the authorities check the intra-group transactions. Therefore, we realized it was time we associated a strong component of legal services to our offer, to create a pool of top professionals in the legal and tax consultancy in Romania", states Adrian Luca, TPS's Founding Partner.

"We have been collaborating with Luca and his team since the establishment of TPS. I am glad that this cooperation now turns into a strategic alliance, which will strengthen the resources of the involved practices", believes Alina Timofti, one of NNDKP's Tax Partners.

The NNDKP-TPS alliance will provide from assistance for implementing an intra-group transaction and/or representation during the tax audits and the related litigations, to representation in international arbitrations in the disputes with the tax authorities.

About NNDKP:

Nestor Nestor Diculescu Kingston Petersen is a promoter of business law in Romania. The firm, together with its specialized tax and intellectual property divisions, has a team comprising 115 attorneys, 20 tax consultants, three intellectual property counselors and 70 employees, offices in Bucharest, Timișoara, Cluj-Napoca, Brașov and Craiova and offers full-service and integrated legal and tax advice to companies in Romania and abroad. NNDKP represents Romania in some of the most prestigious international professional alliances - Lex Mundi, World Services Group - and is a founding member of the South East Europe Legal Group (SEE Legal).

For more information please visit www.nndkp.ro.

About TPS:

Established in 2009, Transfer Pricing Services (TPS) has become one of the strongest and most appraised independent tax consultancy firms in the field of transfer pricing in Central and Eastern Europe, providing specialized services to over 400 clients, subsidiaries of multinational and national groups. Based on its results, during 2011-2015 the TPS team was designated by various specialized publications as the best team in the field of transfer pricing in Romania and Central and Eastern Europe. The team has now over 20 consultants and each of them is accredited or under accreditation by the standards of ADIT.

TPS is the only tax consultancy firms to have two of the five members proposed by Romania in the European Arbitration Commission for removing the double taxation in the relation between affiliates. Since 2010, TPS is part of the largest global network of independent consultants in transfer pricing, valuation and customs services, TPA Global (www.tpa-global.com), with a network covering over 50 countries.

For more information please visit www.transferpricing.ro.