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Company by S/6,209,413 through capitalization of credits by the majority shareholder. As of today, such increase are pending to be subscribed and inscribed at the Public Registry.

The General Shareholders' Meeting held on September 12, 2013, agreed to contribute additional capital to the Company by S/ 511,967 through contributions in cash by the majority shareholder.

**14. Tax situation**

- (a) The Company is subject to the Peruvian tax legislation. As of December 31, 2014 and 2013, the statutory Income Tax rate was 30 percent on the taxable income, after deducting the workers' profit sharing which is calculated with a 5 percent rate on the taxable income.
- Beginning in 2015, in attention to Article 55 of Law No. 30296, the tax rate applicable on the taxable income, after deducting the workers' profit sharing, is as follows:
- 2015 and 2016: 28 percent.
  - 2017 and 2018: 27 percent.
  - 2019 onwards: 26 percent.
- Legal persons not domiciled in Peru and natural persons are subject to retention of an additional tax on dividends received. In this regard and in attention to Law No. 30296, the additional tax on dividends for generated income is as follows:
- 4.1 percent of the profits generated until December 31, 2014.
  - For the profits generated from 2015 onwards, whose distribution is made after that date, the percentages will be the following:
    - 2015 and 2016: 6.8 percent.
    - 2017 and 2018: 8 percent.
    - 2019 onwards: 9.3 percent.
- (b) For the purpose of determining the Income Tax and Value Added Tax (VAT), the transfer pricing agreed for transactions with related entities and with companies domiciled in countries considered tax havens, prices should be supported by documentation containing information on the valuation methods applied and criteria used in its determination. Based in an analysis of the Company's operations, in the opinion of Management and its legal advisors, as consequence of the application of these regulations, there will not arise any material consequences for the Company as of December 31, 2014 and 2013.
- (c) The Tax Authority is legally entitled to review and, if necessary, adjust the Income Tax and Value Added Tax (VAT) and VAT computed by the Company during a term of four years following the year in which a tax return was filed. The Company's Income Tax and VAT returns corresponding to the years 2010 to 2014 are open to examination. Given the possible interpretations that the Tax Authority may give to the legislation in effect, up to date it is not possible to determine whether or not any tax examination to be conducted would result in liabilities for the Company; thus any increased tax or surcharge that may arise from possible tax examinations would be applied to the income of the period in which such tax increase or surcharge may be determined. In the opinion of Management and its legal advisors, any eventual additional tax settlement would not be significant for the financial statements as of December 31, 2014 and 2013.

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