

EXPLANATION NOTE

on the interpretation of indicators of annual Park resident's activity verification, stipulated by the Decision No.1

In addition to the Decision No.1 as of 18.12.2018 on establishing the indicators of the annual Park's residents activity verification, in accordance with the provisions of the Law No.77/2016 on information technology parks, the Administration of the information technology park "MOLDOVA IT PARK" developed the following explanations regarding the established indicators in order to provide the definition and simplify the process of interpretation of the imposed requirements.

1. Validity of resident registration in the Republic of Moldova as part of its entrepreneurial activity.

Verification of the current status of the resident, i.e. if the company is not in the process of insolvency or liquidation and/or restructuring as a result of insolvency, or in the processes stipulated by the Law No.149 as of 29.06.2012 on the insolvency; if the company's entrepreneurial activity is not suspended, or it is in the process of declaring the company in one of the listed statuses – p.4 of the Decision on registration of residents of the information technology park „Moldova IT Park”, Annex no.2 to the Government Decision no.1144 as of December 20, 2017.

The current company's status is indicated in the comments.

2. Carrying out the main activity at the legal address and subdivisions located on the territory of the Republic of Moldova.

Verifying, if the IT Park resident has a registered legal address on the territory of the Republic of Moldova.

The information on the current legal address, as well as the subdivision address is reflected in the comments.

3. Compliance with the requirement to generate 70% or more of company sales revenue from activities permitted in the Park.

In order to confirm/disclaim that the company generates 70% or more of sales revenue from the activities, permitted by Law No.77/2016, the ratio between the amount of revenue from the sale of services/works allowed in the Park (listed in the Article 8 of the Law No. 77/2016) and the total sales revenue reflected in the accounting is calculated. In this case, both indicators related to the sales revenue are determined on the monthly basis as a cumulative sum from the beginning of the calendar year or from the beginning of company's activity in the Park.

Thus, the percentage of each activity permitted in the Park and carried out by resident, in accordance with the Resident Contract with the administration and the Certificate confirming the resident status, as well as the total percentage of all mentioned activities is reflected in the comments.

4. The total sales revenue generated by the resident during the entire calendar year.

The amount of total sales revenue received by the company during the financial year is stated in the consolidated matrix of the annual Park residents' activity verification.

5. Confirming the accounting record-keeping, preparation and submission of the financial statements, reports and declarations under the current statutory procedure, including documentary confirmation of informing the resident's employees on the peculiarities related to social and health insurance, as well as on the income tax on salary.

Verifying, if the park resident has submitted all the listed documents within the deadlines established by the legislation in force towards all competent authorities. This process does not imply verification of record-keeping accuracy.

According to paragraph 3 of the Article 16 of the Law № 77/2016, the company shall notify its employees, in written form, about the social and medical insurance provided by this article as well as the particularities referred to charging the income tax from the salary until the date of obtaining the title of the resident of the Park and in case of new employees – until employment. Thus, the existence of a document informing the company's employees about the peculiarities mentioned above is verified.

The unmet obligations are reflected in the comments.