

## The LCN Legal ‘Fast Track’ Intercompany Agreements Service

A document automation platform which allows users to create **best-in-class** intercompany agreements for transfer pricing compliance

### Key benefits

1. **Cost effective** – prices start from just GBP 1,750 per agreement (plus VAT if applicable). Discounts and subscription arrangements are available for regular users.
2. **Efficient** – users can typically input the information required for an agreement in just **5 to 10 minutes**, using our online questionnaire. Avoids the time typically taken to brief lawyers who are not familiar with transfer pricing.
3. **Fast** – drafts are available within **2 business days**.
4. **Effective** – agreements benefit from LCN Legal’s world-leading expertise in intercompany agreements and feedback from a global community of leading transfer pricing professionals. Avoids the common errors made by multinational groups in the legal implementation of TP.

*“I like the questionnaire a lot. The [agreement] is right up there in terms of any agreements I have seen.”*

**Transfer Pricing Director,**  
commenting on our  
Fast Track service

### Why we created this new service: closing the legal implementation gap in transfer pricing

Transfer pricing policies are of limited value unless they are implemented legally.

Based on our experience, many multinational groups have significant gaps in the legal implementation of their TP policies. In many cases, the intercompany agreements they do have are completely inappropriate, because they contradict the allocation of functions, risk and reward stated in the group’s TP documentation.

We believe this is due to a **skills gap**: most transfer pricing professionals are not qualified or insured to prepare legal agreements. Most lawyers have not even read the OECD’s Transfer Pricing Guidelines, let alone have experience of international best practice in the legal implementation of transfer pricing. As a result, many multinational groups are exposed to **unnecessary risks** including:

- adverse TP adjustments, due to failure to legally implement their TP policies;
- fines and penalties; and
- time consuming and costly TP investigations.

### Who the ‘fast track’ document automation platform is for

- **Transfer pricing and tax professionals** who want to create effective intercompany agreements for their multinational clients, without giving legal advice for which they are not qualified or licenced.
- **In-house legal and tax teams** who need to substantiate and implement their transfer pricing.
- **Law firms** who want to grow their practice by providing additional support for their multinational clients, backed up by world-leading know-how.

---

## How the 'fast track' document automation works

---

You complete a straight-forward online questionnaire. The questions do not require any legal knowledge, and capture the key information needed to create an appropriate intercompany agreement.

We generate your tailored agreement(s) within 2 to 4 business days, based on the information you have provided. Each agreement is provided in Microsoft Word format and is fully editable.

---

## Transaction types currently covered

---

The system currently covers the following intercompany transaction types:

- **Services charged on a cost plus basis** such as:
  - Central support services (including finance and accounting services, tax and legal services, HR management services, IT support services, etc.)
  - Procurement services
  - Logistics services
  - Marketing services
  - R&D services
- **Appointment of limited risk distributors / sales entities remunerated on a TNMM basis** (includes resale of goods, software and services)
- **Lead contractor / support services arrangements** (for arrangements where different entities within a group may act as 'lead contractor' for the provision of services to third party clients or customers, and may subcontract other members of the group to provide support services in relation to those client or customer engagements)
- **Intellectual property licences / royalty agreements**
- **Intercompany loans** (term loans / revolving credit facilities / overdraft facilities)
- **Loan note instrument** for intercompany debt documented in security form

Additional transaction types are under development and will be released when available.

---

## Automated translations

---

Our platform system allows for the automated creation of multiple language versions of intercompany agreements, avoiding the cost, delay and uncertainty of using translators who may not be familiar with transfer pricing concepts. Bilingual English / Chinese agreements are currently available for services charged on a cost plus basis. Bilingual agreements for additional transaction types and languages are under development.

---

## What functionality do Fast Track agreements provide?

---

Agreement functionality includes:

- Single and multiple service recipients
- Bilateral and multilateral agreement formats
- Retroactive agreements (to the extent possible in accordance with OECD TP Guidelines)
- Allocation of contractual risk between the parties
- Ownership of intellectual property, including in work products
- Allocating control over delivery of services
- Multiple cost keys
- Multiple allocation keys
- Payment terms and interim payments
- Post year-end 'true up' and 'true down' provisions
- Options for treatment of default interest

---

## Additional support available

---

For intercompany transaction types which are not covered by the fast track service, we provide bespoke legal support, often on the basis of fixed fees. Email us at info@lcnlegal.com for further details.

---

## About LCN Legal

---

LCN Legal is described by the UK's **Chartered Institute of Tax (CIOT)** as:

*"a world leader in creating legal substance for Transfer Pricing compliance".*

Its co-founder, Paul Sutton, is the author of the book 'Intercompany Agreements for Transfer Pricing Compliance – A Practical Guide,' published by Law Brief Publishing.

The Fast Track ICA Drafting Service is created and developed by our highly knowledgeable team of senior corporate lawyers, who have real world experience of corporate and commercial transactions and a detailed understanding of transfer pricing compliance.

---

## How to obtain more information, and to arrange a free trial for transfer pricing advisers

---

Email us at info@lcnlegal.com, or call us on +44 20 3286 8868.

