

Transfer Pricing Policy Overview

Date: [Insert Date]

To: [Recipient's Name]

Position: [Recipient's Position]

Company: [Recipient's Company]

Address: [Recipient's Address]

Dear [Recipient's Name],

We are pleased to provide you with an overview of our Transfer Pricing Policy, which is designed to ensure that our intercompany transactions are conducted in accordance with the arm's length principle.

1. Purpose

The purpose of this policy is to establish guidelines for pricing transactions between related entities to comply with tax regulations and avoid double taxation.

2. Scope

This policy applies to all intercompany transactions involving the transfer of goods, services, and intangibles between related parties.

3. Methodologies

Our policy outlines several methodologies for determining transfer prices, including Comparable Uncontrolled Price, Cost Plus, and Resale Price methodologies.

4. Documentation

We are committed to maintaining adequate documentation to support our transfer pricing practices, which will be reviewed periodically.

5. Compliance

All employees are required to comply with this policy and report any concerns regarding transfer pricing practices to the compliance officer.

Should you have any questions regarding this overview or need further clarification, please feel free to reach out.

Sincerely,

[Your Name]

[Your Position]

[Your Company]

[Your Contact Information]