**HFC: Notice of penalty for the administrative violations pertaining to tax**

On 09 Jun 2020, HFC Petroleum Corporation announced the penalty for the administrative violations pertaining to tax as follows:

Article 1: Handling administrative violations against the following organization:

1. HFC Petroleum Corporation

Head office address: Floor F3 - Building 187 Nguyen Luong Bang Street, Quang Trung Ward, Dong Da District, Hanoi City

Tax code: 0100108159

Business registration certificate No.0100108159 issued by the Department of Planning and Investment on May 21, 1998

Legal representative: Mr. Nguyen Trong Hau. Gender: Male. Position: General Director

2. Committing an administrative violation:

- Making a false declaration leading to a lack of payable tax amount or an increase in the refundable tax amount, an increase in the exempted or reduced tax amount but the taxpayer recorded promptly and fully the economic operations in the accounting books, invoices and vouchers as prescribed in Point a, Clause 1, Article 10 of Decree No. 129/2013/ND-CP dated 16 Oct 2013 of the Government

- Not issuing an invoice when selling goods or services with a payment value of VND 200,000 or more to the buyer in accordance with the provisions of Clause 4, Article 11 in Circular No.10/2014/TT - BTC dated January 17, 2014 by the Ministry of Finance.

- Not declaring the associated transaction appendix in the CIT finalization return in Article 6 or Article 8 or Article 9 in Decree No. 129/2013/ND - CP dated October 16, 2013

3. Aggravating circumstances: None

4. Extenuating circumstances: None

5. To be subject to the following sanctioning forms and remedies:

a) Main sanctioning forms: Fine for acts of violation, specifically:

- Fines for wrong declaration of 20% of the increased tax amount after inspection in accordance with the provisions in Clause 33, Article 1 of Law No. 21/2012/QH13 dated November 20, 2012 of the Law amending and supplementing a number of articles of the Law on Tax Administration and in Clauses 1 and 2, Article 10 of Decree 129/2013/ND - CP dated October 16, 2013 of the Government due to false declarations which led to a lack of payable tax amount: VND 56,691,030

- Penalties as prescribed in Clause 4, Article 11 of Circular 10/2014/TT - BTC dated January 17, 2014 for not making invoices for goods sold: VND 15,000,000

- Fines as prescribed in Article 6 or Article 8 or Article 9 of Decree No. 129/2013/ ND - CP dated October 16, 2013 for not declaring the associated transaction appendix in the CIT finalization return: VND 3,500,000

Total fine: VND 75,191,030

b) Additional sanction: None

c) Remedies:

\* Details of measures:

- Additional VAT full payment: VND 60,270,340 (Year 2018: VND 10,778,935, Year 2019: VND 49,491,405)

- Additional CIT full payment: VND 223,184,810 (Year 2018: VND 40,107,413, Year 2019: 183,077,397 VND)

- Late payment interest: VND 14,138,248 as prescribed in Clause 32, Article 1 of Law No. 21/2012/ QH13 dated November 20, 2012; Clause 3, Article 3 of Law No.106/2016/QH13 dated 06 April 2016 of the National Assembly

+ Deferred payment for the corporate income tax: VND 8,877,776

+ Late payment for VAT: VND 5,260,472

The late tax payment aforesaid is calculated by the end of June 5, 2020. Request HFC Petroleum Corporation to calculate and pay the late tax payment amount from June 6, 2020 to the date of paying the full tax arrears into the State budget

All expenses for the implementation of remedial measures are paid by HFC Petroleum Corporation

Article 2. This Decision takes effect from the date of signing