



OWASP

Our Qualifications to Serve OWASP

June 3, 2011

Prepared by:

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June 3, 2011

Tom Brennan
OWASP Foundation, Board Member
Director, Trustwave SpiderLabs
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Dear Tom:

Every day, you strive to deliver your best and exceed expectations, especially as a Board Member of a highly specialized non-profit organization. We know you expect the same from your service providers. We understand that, as you consider the possibility of hiring an accounting firm to do specialized tax work, you are looking for professionals who understand your organization and the challenges you face.

We understand that OWASP has professional chapters in 70 different locations around the world. OWASP holds conferences through these professional chapters all over the world and would like tax advisory and compliance services regarding their specific activities in various foreign jurisdictions.

In addition, you will find seamless international tax and consulting services at EisnerAmper, through our global affiliate network, PKF International, a network of 245 legally independent accounting and consulting partners locate in 125 countries. As we have done with Clients in the past, EisnerAmper can serve as your US technical tax/accounting advisor and also as your global project coordinator for OWASP's international (non-profit) business activities.

By conducting business all over the world, OWASP may be subject to indirect taxes, such as the Value Added Tax ("VAT") or its equivalent in most non-US jurisdictions. Any business buying, selling, investing or employing staff in one or more countries is confronted with indirect taxes. Globally, governments are increasingly imposing indirect taxes: sales taxes, general services tax, business tax, VAT, customs duties, energy taxes, environmental taxes, excises etc. We have a global affiliate network of indirect tax professionals focusing on VAT mitigation (refund procedures), compliance, and registration. We will coordinate with our VAT specialists to provide OWASP with unified solutions for its VAT issues and queries.

Pursuant to our discussion, we looked through your informative website and the 2009 Form 990, and have some preliminary general US tax observations. Regarding Part VI, question 12a: the organization should draft a conflict of interest (COI) policy. Regarding Part VI, question 12b: officers, directors or trustees, and key employees should be required to disclose annually interests that could give rise to



conflicts. Regarding Part VI, question 12c: ideally, this question generally should be answered yes. This can be done through giving the officers, directors or trustees and key employees COI statements every year to be filled out and having a compliance officer review it. Regarding Part VI, question 13: The organization should draft a written whistleblower policy to comply with best practices. EisnerAmper can assist with addressing the above items and also suggest other value added opportunities that may be present upon further review of additional information.

We believe there are distinct benefits in working with EisnerAmper as your global tax advisors and international consultants. In the following pages, we are confident you will see that our firm has the experience and level of service that OWASP desires. We would be happy to speak with you in more detail about the information contained in this proposal. Thank you for this opportunity, and we look forward to working with you.

Very truly yours,
EisnerAmper LLP

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Executive Overview

Today, more than ever before, Not-for-Profit Organizations ("NFPs") must be run as a business. Regulatory compliance, donor scrutiny, and the challenges of a shifting economy raise questions that can only be answered by qualified, trusted professionals. The professionals of EisnerAmper have been providing services to NFPs for nearly 50 years, and are especially qualified to effectively communicate your organization's financial condition and performance. We understand the special environment in which your organization operates. We are in tune with the information needs of your contributors, grantors, lenders, and various other constituencies--from your governing board to the general public.

We serve organizations that operate in a variety of areas, including education, social and religious services, charitable support, membership benefits, political action, the arts, and medical/scientific research. We provide a variety of levels of assistance drawn from our firm's primary service areas: financial-statement assurance, accounting and bookkeeping, taxation and other government compliance, systems advisory services, and business improvement services.

We understand that OWASP is in need of international tax services, global tax coordination, and project management of its global activities and organizational structure.

EisnerAmper is experienced and qualified to meet OWASP's needs for these services.

- EisnerAmper has the resources and personnel of a large accounting firm, with the entrepreneurial spirit to give you the personalized service the Company deserves.
- We have dedicated partners who service private foundations and non-profit entities. EisnerAmper LLP is also a significant provider of services to public companies and ranks as one of the nation's Top 10 largest auditors of SEC registrants, the 15th largest public accounting firm in United States, and the 5th largest public accounting firm in the Northeast region.
- Our firm maintains a philosophy of honest and open communication with all of our clients, not just at year-end, but throughout the year.
- We are a recognized leader in providing services to international companies in a variety of industries.
- We are a recognized leader in the nonprofit sector, providing services to an array of community service providers.
- The engagement team selected to service the Company has a variety of skill sets and experiences that will add significant value to the services we offer to your organization.
- We pride ourselves on completing every engagement on time and on budget.
- As a member of PKF International, EisnerAmper is able to support clients with their transactions in over 125 countries throughout the world.

The EisnerAmper Difference

When you work with EisnerAmper, you are working with a progressive accounting firm that is large enough to have the resources and personnel to resolve the most sophisticated auditing or tax issue, yet entrepreneurial enough to give you personalized, responsive service at a fair price. Our position in the marketplace allows us to provide a high level of expertise while providing cohesive, cost-effective and timely client service. As your business continues to develop, we will be able to provide you best-practices advice on a wide range of business issues.

EisnerAmper understands that communication is the key to the success of any business partner relationship. As with all of our relationships, we keep an honest and open communication. We will meet with you on a regular basis in order to keep you abreast of changes in the accounting landscape that will affect your business and also discuss planning opportunities. We will work together in order to recognize changes in your business environment, and identify and react to new challenges and opportunities.

EisnerAmper's international tax professionals assist clients in minimizing worldwide tax burdens on business transactions and operations, understand international tax developments and make effective foreign investments. We take an integrated approach to developing targeted solutions that consider your entire business. EisnerAmper's team works with businesses to creatively reduce taxes in the countries in which they do business. Proven solutions include earnings repatriation, tax reduction and withholding tax minimization, cross-border financing, investment planning and general worldwide tax minimization strategies.

EisnerAmper is a recognized leader in the nonprofit sector, and we work with many community service providers. We stand ready to assist you in complying with nonprofit reporting and compliance issues that are important to organizations like OWASP, including transparency and governance issues. We are well-positioned to offer you the resources of a large firm, combined with the personal service of a smaller firm. Our firm provides a wide array of audit, accounting, tax and consulting services to over 300 nonprofit clients.

The engagement team selected to serve OWASP consists of partners and key personnel with decades of audit and business advisory experience, Big 4 experience, and a hands on approach to client service. Many of the professionals assigned have experience with large, multinational clients.

EisnerAmper prides itself on its ability to complete engagements on time and within budget. Our approach ensures that there are no surprises on any accounting, audit or tax issues. We bring issues to management immediately to avoid any surprises later in the engagement.

EisnerAmper has dedicated staff with extensive experience that is focused exclusively on organizations like yours.

As OWASP does business around the globe, EisnerAmper is able to offer support at the local level. EisnerAmper is an independent member of PKF International (“PKF”), a highly ranked global network of 245 legally independent accounting and consulting practices located in 125 countries. Our affiliation with PKF enables us to provide service across North America and around the world to clients with international requirements. With more than 15,000 partners and professionals working in 125 countries, the independent member firms have net fees in excess of \$2 billion.

PKF International and its member firms are committed to the values of integrity, professionalism and independence, as well as the desire to share their skills and knowledge across borders to provide their clients with a world-class range of services at world-class standards.

Firm Profile

With nearly 1,200 professionals, EisnerAmper is among the 15th largest accounting firms in the country. EisnerAmper works with privately-held and publicly-traded companies from their inception with accounting, tax and advisory services. As companies grow, EisnerAmper is prepared to assist them with a full complement of services to help them reach their goals from start-up to exit.

Recognized internationally as one of the premier firms in audit, tax and advisory services to financial institutions, EisnerAmper serves more than 600 hedge funds and more than 200 private equity and venture fund clients with assets under management ranging from \$25 million to \$7 billion. EisnerAmper was recently recognized by *Institutional Investor* as the top accounting service provider to hedge fund managers for funds of \$1 billion or less.

EisnerAmper's knowledge of capital markets helps clients seeking advice on issues such as mergers and acquisitions, debt financing, IPOs, international expansion and restructuring.

The firm provides a comprehensive set of services to closely-held companies, high net worth individuals and families, including tax planning and compliance, investment planning, international wealth advisory services, risk management, cash flow and asset protection planning, among others.

EisnerAmper professionals have significant breadth and depth of knowledge in key service areas including compliance, international tax, state and local tax, business and asset valuation, employee benefit plans, and risk management, among many others.

EisnerAmper's core values are to:

- Provide quality service
- Attract and develop a team of talented and highly trained professionals
- Stress innovation in all firm activities
- Act with integrity at all times
- Be an effective and financially sound professional enterprise

The firm puts these values into practice at work, as well as in the community. Through various avenues, such as EisnerAmper University, EisnerAmper Cares, the EisnerAmper Women's Network, employee affinity groups and alumni outreach programs, each EisnerAmper employee is encouraged and supported to make a difference through volunteer projects and community service.

Engagement Team

We recognize the importance of close partner involvement and continuity of staff. You will be assigned a skilled professional team with relevant experience. Jim Alajebgu will lead the team. He will coordinate the efforts of the team members assigned to your engagement from the start, keeping your “big picture” goals in mind while strategically employing the full expertise of the team. William Starnick, [Non-Profit] Tax Senior, will serve as the daily contact on the engagement. Jim Alajebgu, Tax Partner, and Adnan Islam, Senior Tax Manager, will lead and manage the tax engagement, working with the team to ensure that your needs are met.

EisnerAmper understands that continuity in the services we provide is a major factor in maximizing efficiencies, keeping costs down and providing real value-added services. We go to great lengths to ensure that partners and other professionals from all levels within the firm have a working understanding of your entire organization. This structure, coupled with the year-to-year stability of your service team, will provide OWASP with the continuity in service you deserve. Additional professional staff members will be added when we schedule our services.

Brief biographies of some of the personnel assigned to the OWASP engagement follow.

**Richard Sackin**

Partner

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Certifications

- CPA

Specialties

- Tax Planning
- State & Local Tax
- International Tax

Professional Activities

- AICPA
- ESOP Association
- NAAC
- NJSCPA – Taxation Resource Committee

Richard Sackin has over 30 years of experience in the fields of accounting and taxation. He is the Tax Partner-in-Charge of the International Services Group.

Rich has many years of experience in handling international tax matters, both with U.S. corporations regarding controlled foreign subsidiaries and foreign corporations regarding in-bound transactions, as well as transfer pricing for re-organizations and expatriate tax issues. Rich co-authored Prentice Hall's *New Jersey Tax Handbook* and has spoken before the World Trade Institute in New York on international tax matters. Prior to joining EisnerAmper, Rich was a partner and director of the tax department of the New Jersey office of Ernst & Young.

Rich holds a B.A. in Accounting from Upsala College and has completed the Columbia University Executive Management Program. He is a member of the American Institute of Certified Public Accountants (AICPA) and New Jersey Society of Certified Public Accountants (NJSCPA), where he serves on the Taxation Resource Committee. He is also a member of the National Association of Accountants for Cooperatives (NAAC) and the ESOP Association, and is a public member of the disciplinary oversight committee at the New Jersey Supreme Court. In addition, Rich is a board member of the Brain Injury Association of New Jersey and is very involved in Cancer Care, Inc. of New Jersey.

**Jim Alajbegu**

Partner

jim.alajbegu@eisneramper.com
732.947.3641**Certifications**

- CPA

Specialties

- International Tax
- Transfer Pricing

Professional Activities

- AICPA
- NJSCPA – International Tax Committee Chair

Jim Alajbegu is a Partner in the International Tax Services Group.

Jim has been responsible for a myriad of assignments in the multinational tax and transfer pricing areas including foreign tax credit studies and expense allocation reviews; the design and implementation of global trading and technology companies; earnings and profits studies; acquisitions and dispositions of operating units; corporate-wide reorganizations; filing of ruling requests with tax authorities; coordination of provision of global tax services; representation in tax audits; tax accounting issues; and related other tax matters.

Prior to joining EisnerAmper, Jim was the leader of Ernst & Young's international tax services practice in New Jersey where he focused on providing and coordinating international tax services to E&Y's largest global and multinational clients. His work experience includes over 18 years in both public and private accounting. He spent four years in Eastern Europe as Vice President of Tax for a large manufacturer of polyethylene products. Prior to moving abroad, Jim was a senior manager for KPMG's international tax services practice for five years and at Arthur Andersen for four years. He was responsible for assisting KPMG's operating offices with regard to international merger and acquisition matters. He also has private practice experience working for Toys "R" Us' international tax department.

Jim holds a B.S. in Accounting from Rutgers University and is a member of the American Institute of Certified Public Accountants (AICPA) and the New Jersey Society of Certified Public Accountants (NJSCPA). He currently serves as Chair of the NJSCPA's International Tax Committee. He has presented to a number of professional organizations explaining current topics of interest in international taxation. In addition, he has developed, marketed and maintained several international tax computer applications.



Marie.Arrigo

Tax Partner

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Certifications

- CPA

Professional Activities

- NYSSCPA
- AICPA

Marie Arrigo, MBA, CPA is a tax partner at Eisner's Tax Advisory Services Practice, and chairs the Family Offices Services Practice for the firm's Personal Wealth Advisors group. Marie provides tax consulting and compliance services to family offices, individuals, trusts and estates and closely held businesses. Marie also chairs the Philanthropy and Charitable Giving Practice for the firm's Personal Wealth Advisors group, wherein she renders tax advisory and compliance to the firm's not-for-profit clients, which includes public charities, private non-operating foundations, private operating foundations and trade associations, as well as donors. Marie is also a member of the firm's Sports, Media & Entertainment group.

Marie is a frequent speaker before professional groups, has written for *The CPA Journal*, *Nonprofit World* and *Fundraising Management* and has appeared on *CNNfn*. Marie is a member of the American Institute of CPAs, where she is currently serving as Co-Chair of its Form 990 Task Force. She was previously a member of the AICPA's Exempt Organizations Technical resource Panel. She is also a member of the Estate Planning Council of New York City, Inc., the Estate Planning Council of Westchester County, Inc., and the Financial Women's Association.

Marie is a past chair of the New York State Society of CPAs' Exempt Organizations Committee. She has also chaired the New York State Society of CPAs' Exempt Organizations Conference for three consecutive years, and has also served on the IRS Exempt Organizations Liaison Group of the Northeast Key District. Marie also serves on the technical advisory board for *The CPA Journal*. She is a member of the Planned Giving Committee of the Make-A-Wish Foundation of Metro New York.



Adnan Islam
Senior Manager

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Certifications

- CPA

Specialties

- Inbound & Outbound Planning
- Holding Company & Treaty Analysis
- Cross-Border M&A Transactions

Professional Activities

- AICPA
- ABA

Adnan Islam is a Senior Manager in the International Services Group. He has worked primarily with corporate clients regarding: subpart F income issues; outbound and inbound transactions; research and analysis on optimal global finance and holding company jurisdictions; withholding taxes and income tax treaty analysis; U.S. real estate dispositions by foreign persons; coordination with Foreign Partners and Technical Branches of the IRS / Treasury; cross-border reorganizations including mergers, acquisitions, and liquidations; debt vs. equity analysis; permanent establishment and ETB/ECI issues; check-the-box planning; technical review of Forms 5471, 8858, and 8865; 9100 relief rulings for IRS submission; and executive compensation, Section 280G analysis. Adnan has extensive experience coordinating international tax analyses with various jurisdictions including: Canada, UK, France, Netherlands, Australia, China, Hong Kong, India, Mauritius, Cyprus, Germany, Ireland, and Mexico.

Adnan is a licensed attorney admitted to practice law in New Jersey, DC, and California and a Certified Public Accountant (NY). He holds a Juris Doctor (J.D.) and an M.B.A. from Rutgers University; and an LL.M. in Taxation from the New York University School of Law. He was previously with the International Tax Services and M&A groups at two different Big 4 firms.