

ENGAGEMENT LETTER FOR BUSINESS INCOME TAX PREPARATION

This letter states the terms and conditions by which you (“you”, “client”, or “your”) have engaged Anne Holliday, CPA, PLLC (“we”, “us”, or “our”) to provide you with tax preparation services. To ensure a clear understanding of the separate responsibilities we and you have in this engagement, please read, sign, date, and return this engagement letter as confirmation of your understanding.

Services: We will prepare the 2021 Federal and state income tax return(s), and 2022 estimated payments, as may be required, based solely on information provided to us by you, for the year ending **December 31, 2021**. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of some of the information. We will also perform any bookkeeping functions necessary to compile your financial data for the preparation of the tax returns, at an additional cost. It is your responsibility to provide us with all the information necessary for the preparation of complete and accurate returns.

This engagement, for the tax period listed above, does not include Tax Planning/ Advice or any other ancillary services; however we are pleased to provide those services to you at your request. Please contact us for an appointment prior to your year end.

Our engagement will be complete upon successful electronic transmission of your returns to the necessary Federal and/or state taxing authorities. Tax return(s) that cannot be electronically filed will be sent to you for your review, signature(s), and paper filing via Certified U.S. Mail with Return Receipt Requested.

Professional Judgment: We will use our professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between taxing authorities’ interpretations of the law and other supportable positions in accordance with IRS guidelines. You agree to hold us harmless with respect to any additional taxes, penalties, or interest imposed upon you by taxing authorities resulting from the disallowance of tax deductions due to inadequate documentation.

If, during our work, we discover information affecting your prior year tax returns, we will make you aware of such information; and we will advise you of any measures that may be necessary to resolve any issues raised. However, we cannot be responsible for identifying all items that may affect prior year returns. If you become aware of any information during the year that may affect a prior return, please contact us to discuss the best resolution of the issue.

Client Responsibilities: Please note that it is your responsibility to ensure that all information necessary to prepare the tax return(s) is given to us. Management is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. You agree to advise us of any money earned in each state that is applicable to your business. You have the final responsibility for the income tax return(s) and, therefore, you should review them carefully before you sign and file them. We will provide you with a copy of your income tax returns and accompanying

schedules and statements for review prior to filing with the IRS and state taxing authorities (as applicable). You agree to review and examine them carefully for accuracy and completeness before you sign them.

The original tax data that you submit to us will be returned to you for your safe keeping. You should retain all the original documents, bank statements, and other data for the basis of income and deductions for at least seven years. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. As the taxpayer, you have the final responsibility for the income tax return(s) and, therefore, you should review them carefully before you sign the Form 8879 – Authorization to E-File – and/or the tax return(s).

Bartering Transactions, Charitable Contributions, Travel and Phone Expenses, and Business Usage of Autos:

You should know that IRS audit procedures will almost always include questions on bartering transactions and on deductions that require strict documentation such as charitable contributions, travel, and expense for business usage of autos. In preparing your returns, we rely on your representations that we have been informed of all bartering transactions and that you understand and have compiled the documentation requirements for your expenses and deductions. If you have questions about these matters, please contact us.

Errors, Misrepresentations, Fraud, Illegal Acts, Theft: Our office will not attempt to discover errors, misrepresentations, fraud, illegal acts, or theft. Therefore, we have not included any procedures designed or intended to discover such acts, as we have no responsibility to do so. We will only render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax return(s). Additional fees may apply for such assistance by our office.

Examination of Returns: Your returns may be selected for review by the taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such examination, we will be available, upon request, to represent you. Fees for audit representation will be billed separate from this engagement, and an engagement letter outlining the scope of the audit representation engagement will be required.

Revision of Returns: Should a tax return require revision after completion through no fault of our office, additional fees will apply. Any tax return requiring revision due to a preparation error will be revised at no additional cost to you.

Fees: Our fees for tax preparation will be based upon our standard rate for time spent. An invoice for tax preparation will be enclosed with your completed tax returns. **This invoice is due and payable upon presentation.** An additional \$10 re-billing charge will be assessed every thirty days that the invoice, or any part thereof, remains unpaid. If the services of an attorney are necessary to collect our fees you will be responsible for those costs as well. We reserve the right to withhold delivery of your completed tax return(s) until your tax preparation fees have been paid in full.

We reserve the right to assess a \$250 Rush Fee for complete data received less than 10 business days before the filing deadline.

E-mail: In connection with this engagement, we may communicate with you, or others, via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an

unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages such, as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

Filing Deadline and Extensions: Generally, tax preparation can take up to three weeks prior to the filing deadline. If additional year-end bookkeeping services are required, additional time for tax preparation may be needed. If you are unable to meet our deadline, or you specifically request, an extension will be prepared at an additional cost. An extension is ONLY an extension of time to file, not to pay any outstanding tax liabilities. Any outstanding tax liabilities will be subject to interest and penalties by the IRS and/or state taxing authority.

Tax Liability: The client is responsible for the payment of all taxes and penalties due. It is important for you to know that the law imposes a penalty if a substantial understatement of tax liability is made.

If the above fairly sets forth your understanding of the nature and scope of the services we are to provide, please sign as indicated in the area below and return to us. (If there are other tax returns you expect us to prepare, such as gift tax returns, please inform us by noting so at the end of this letter.) A self addressed envelope has been enclosed for your convenience.

Notwithstanding anything contained herein, both Anne Holliday, CPA, PLLC and you agree that regardless of where you are domiciled, and regardless of where this agreement is physically signed, this agreement shall have been deemed to have been entered into at our office located in Rockingham County, Portsmouth, New Hampshire, and this location shall be the exclusive jurisdiction for resolving disputes related to this agreement. This agreement shall be interpreted and governed in accordance with the Laws of New Hampshire.

Acknowledgement: The foregoing is in accordance with my understanding of your engagement to provide 2021 tax preparation services. I understand that I am ultimately responsible for the accuracy and completeness of my tax return(s). The terms described in this letter are acceptable and are hereby agreed to.

AGREED TO AND ACCEPTED:

By clicking the checkbox “Yes, I agree to the Terms & Conditions outlined in the 2021 Engagement Letter for Income Tax Preparation” you have digitally confirmed your understanding of our tax preparation engagement.