



BUSINESS INCOME TAX ENGAGEMENT LETTER

This letter is to confirm and specify the terms of our engagement with you, the taxpayer (as representative of tax paying entity) for the tax year(s) ending December 31st, and to clarify the nature and extent of the tax services we will provide. By signing this engagement letter and/or sending us the information for the preparation of your tax returns, you and all parties referenced in this letter agree to the terms of our engagement.

Tax Return Preparation Service

We will prepare your Federal and New York State business income tax return(s) for the calendar year(s). We are under no duty to review the information you provide to determine whether you may have a filing obligation with another state. If we become aware of any other filing requirement, we will tell you of the obligation and may prepare the appropriate returns at your request as a separate engagement. This engagement letter does not cover the preparation of any financial statements, which, if we are to provide, will be covered under a separate engagement letter.

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

If, during our work, we discover information that affects prior-year tax returns, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior-year returns. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue. We will be happy to prepare appropriate amended returns as a separate engagement.

Our work in connection with the preparation of the tax return(s) does not include any procedures designed to discover defalcations or other irregularities, should any exist. The returns will be prepared solely from information provided to us without verification by us.

If, after completing your tax return(s), we find that you have a tax liability to one or more taxing authorities, we will assist you by timely sending you tax vouchers that list the amount due, the address to send payment to, and the corresponding due date. It is *your* responsibility, however, to make sure that all amounts due are paid to the taxing authority *by the due date* listed on the voucher.

The firm may, from time to time, and depending on the circumstances, use third-party service providers to assist in preparing your return, but these preparers will not make substantive decisions concerning your return. We may share your tax return information with these service providers but remain committed to maintaining the confidentiality and security of your information.





Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information, and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. If we cannot secure an appropriate confidentiality agreement, you will be asked to provide your consent before sharing your confidential information with the third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such third-party service providers.

In accordance with federal law, in no case will we disclose your tax return information to any location outside the United States, to another tax return preparer outside of our firm for purposes of a second opinion, or to any other third party for any purpose other than to prepare your return without first receiving your consent.

Your Responsibility

You are responsible for the safeguarding of assets, the proper recording of transactions in the books of accounts, the substantial accuracy of the financial records, and the full and accurate disclosure of all relevant facts affecting the return(s) to us.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, canceled checks, and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns, and, therefore, the appropriate officials should review the return carefully before an authorized officer signs it.

We will provide you with a questionnaire requesting specific information. Completing the forms will assist us in making sure you are well served for a reasonable fee. You represent that the information you are supplying to us is accurate and complete to the best of your knowledge and that you have disclosed to us all relevant facts affecting the returns. We will not verify the information you give us; however, we may ask for additional clarification of some information.

If for any reason, you are unable to provide us with all pertinent tax information and documentation within this time frame, then it may be necessary to extend your tax return(s). Please note that doing so still requires you to pay any estimated tax liability on or before the original due date of the tax return in order for the extension to be effective.

You are responsible for assuming all management responsibilities and overseeing any services we provide by designating an individual, preferably within senior management, who possesses suitable skills, knowledge, or experience. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for the results of such services.

Time Frame

Where applicable, the time frame for delivery of services included in this engagement is dictated first by the terms of the Your Responsibility section above and then with the Firm's expressed intention to complete services by any official/governmental deadline associated with the service.

Your Copy of Your Tax Return(s)

Federal and State law requires that we provide you, the taxpayer, with a copy of all paper-filed Federal and State tax return(s) that we are paid to prepare on their behalf. Also, for electronically filed tax returns for which we are paid to prepare, we are required to provide you with the information that is contained on those returns. We will provide you with a copy of your tax return(s) either electronically or by paper.



Electronic Filing of Tax Return(s)

It is now mandated by Federal and State law that most tax return(s) and extensions be filed electronically. There are some cases, however, when the taxpayer may have to file their tax return by paper copy. If you are required to file your tax return(s) in a paper format, we will inform you of this before filing. Should you be required to file your return in paper format, it is imperative that you sign, date, and mail the tax return(s) by the relative due date.

Federal and State law mandates that we receive your written authorization prior to filing your tax return(s) electronically. We must receive payment and fully executed e-file authorization forms to file by the return's due date to avoid potential penalties and fines.

Fees and Payment

Our fees for tax return preparation are based on the time required for all work performed, the complexity of any technical issues addressed, the need to confirm information or to perform accounting work as a precondition to preparing your tax return(s), and the timely receipt of all essential information 30 days prior to the deadline of your tax return(s). You will also be charged at our normal rates for other expenses (i.e. Paper or E-file charge, postage, and shipping, etc.) as they relate to the completion of services. You agree to pay the invoiced amount in full for all services rendered before we can provide you with the e-file authorization forms required to file your income tax returns. All invoices associated with this agreement are due upon receipt. Balances left unpaid for 30 days or more will accrue a monthly late fee of 1.5%

Outstanding Balance Due

If you currently have a balance due on your account, you agree to work with us to make a payment immediately to bring your account balance current prior to us commencing this or any future engagement. You also acknowledge that we reserve the right to suspend all work if, during any time during this engagement, your account becomes past due.

Additional Understanding

The Internal Revenue Code and regulations impose preparation and disclosure standards with non-compliance penalties on both the preparer of a tax return and on the taxpayer. To avoid exposure to these penalties, it may be necessary in some cases to make certain disclosures to you and/or in the tax return concerning positions taken on the return that don't meet these standards. Accordingly, we will discuss tax positions that may increase the risk of exposure to penalties and any recommended disclosures with you before completing the preparation of the return. If we conclude that we are obligated to disclose a position, and you refuse to permit the disclosure, we reserve the right to withdraw from the engagement, and you agree to compensate us for our services to the date of withdrawal. Our engagement with you will terminate upon our withdrawal.

The IRS permits you to authorize us to discuss, on a limited basis, aspects of your return for one year after the return's due date. Your consent to such a discussion is evidenced by checking a box on the return. Unless you tell us otherwise, we will check that box authorizing the IRS to discuss your return with us.

It is our policy to keep records related to this engagement for seven years. However, we do not keep any of your original records, so we will return those to you upon the completion of the engagement. When records are returned to you, it is your responsibility to retain and protect the records for possible future use, including potential examination by governmental or regulatory agencies.

By signing this engagement letter, you acknowledge and agree that upon the expiration of the 7-year period, we are free to destroy our records related to this engagement.



Pursuant to Circular 230, we are required to advise you that any federal tax advice contained herein or in any communication resulting from this engagement is not intended or written to be used, and cannot be

used, by the addressee or any taxpayer for the purpose of avoiding penalties that may be imposed under the Internal Revenue Code or for promoting, marketing, or recommending to another party any plan or arrangement addressed in the communication.

Certain communications involving tax advice are privileged and not subject to disclosure to the IRS. By disclosing the contents of those communications to anyone or by turning over information about those communications to the government, you may be waiving this privilege. To protect this right to privileged communication, please consult with us or your attorney prior to disclosing any information about our tax advice. Should you decide that it is appropriate for us to disclose any potentially privileged communication, you agree to provide us with written, advance authority to make that disclosure.

Should we receive any request for the disclosure of privileged information from any third party, including a subpoena or IRS summons, we will notify you. In the event you direct us not to make the disclosure, you agree to hold us harmless from any expenses incurred in defending the privilege, including, by way of illustration only, our attorney's fees, court costs, outside adviser's costs, or penalties or fines imposed as a result of your asserting the privilege or your direction to us to assert the privilege.

The return(s) may be selected for review by the taxing authorities. In the event of an audit, you may be requested to produce documents, records, or other evidence to substantiate the items of income and deduction shown on a tax return. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of a tax examination, we will be available, upon request, to represent you. However, such additional services are not included in the fees for the preparation of the tax return(s).

We are not investment counselors or brokers. Our advice concerning a particular investment shall be limited to advising you with regard to the tax ramifications of the investment. It shall not include advising you regarding the economic viability or consequences of the investment or whether or not you should make the investment. Our advice regarding the tax ramifications of the investment shall be based on documents and information that you provide us regarding the investment.

In the event of a dispute related in any way to our services (other than our efforts to collect a past due invoice), our firm and you agree to discuss the dispute and, if necessary, to promptly mediate in a good faith effort to resolve. We will agree on a mediator, but if we cannot, either of us may apply to a court having personal jurisdiction over the parties for the appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorneys' fees. Participation in such mediation shall be a condition to either of us initiating litigation. In order to allow time for the mediation, any applicable statute of limitations shall be tolled for a period not to exceed 120 days from the date either of us first requests in writing to mediate the dispute. The mediation shall be confidential in all respects, as allowed or required by law, except our final settlement positions at mediation shall be admissible in litigation solely to determine the prevailing party's identity for purposes of the award of attorneys' fees.

We may communicate with you or others via email transmission in connection with this engagement. 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.

Termination

Either party may terminate this engagement at any time by notifying the other party in writing. In the event that either party chooses to terminate the services being performed by the Firm, both parties acknowledge that you will be responsible for any and all billable charges and expenses incurred in connection with our services up to the date of the termination. If you paid in advance for these services, we will reimburse you for any excess payment made. If the reverse is true, you will be required to remit payment to the Firm before being provided any documentation and/or formation paperwork already drafted.

Entire agreement

This engagement contains the entire agreement between the parties hereto pertaining to the rendition of the services as outlined herein. Any prior understanding or representations of any kind preceding the date of this agreement shall not be binding on either party to this agreement. This agreement may be altered or amended only by an instrument in writing signed by the parties hereto. We have the right to withdraw from this engagement, in our discretion, if you don't provide us with any information we request in a timely manner, refuse to cooperate with our reasonable requests or misrepresent any facts. Our withdrawal will release us from any obligation to complete services and will constitute completion of our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of our withdrawal.

Confirmation of Your Understanding

By either signing below, the Personal Tax Client Annual Questionnaire or submitting the Personal Tax Client Annual Questionnaire on our website, you confirm that you fully understand the terms set in place by this engagement letter and that all questions and/or concerns that you expressed to us, as they relate to these terms, were answered in a timely fashion and prior to my signing of this document. You understand that we are not responsible for the accuracy or truthfulness of the information you provide us regarding your tax return(s). If you disagree with any of these terms, please notify us immediately.

We want to express our appreciation for this opportunity to work with you.