



BREWER • EYEINGTON • PATOUT
CERTIFIED PUBLIC ACCOUNTANTS

Brewer, Eyeington, Patout & Co., LLP is pleased to provide you with the professional services described below. This letter, and any other attachments incorporated herein (collectively, "Agreement"), confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. The engagement between you and our firm will be governed by the terms of this Agreement.

Engagement Objective and Scope

Please place a check mark by each type of tax return that we will prepare for the calendar year ended December 31, 2022 or the fiscal year ended _____:

- 1) _____ Form 1040, U.S. Individual Income Tax Return _____
- 2) _____ Form 1120, U.S. Corporation Income Tax Return _____
- 3) _____ Form 1120S, U.S. Income Tax Return for an S Corporation _____
- 4) _____ Form 1065, U.S. Return of Partnership Income _____
- 5) _____ Form 1041, U.S. Income Tax Return for Estates and Trusts _____
- 6) _____ Form 990, Return of Organization Exempt From Income Tax _____
- 7) _____ Form 990-T, Exempt Organization Business Income Tax Return _____
- 8) _____ Form 1045, Application for Tentative Refund _____
- 9) _____ Amended Tax Return
 _____ Form 1040X, U.S. Amended Individual Income Tax Return; Year(s): _____
 _____ Other: Form _____; Year(s): _____
- 10) The following state income tax returns you specifically request us to prepare, which are:
 _____ None
 _____ Texas Franchise Income Tax Return
 _____ Other State(s): _____
- 11) _____ Other Engagement (list on line) _____

We will not prepare any tax returns other than those identified above, without your written request, and our written consent to do so. We will rely upon the completeness and accuracy of the information and representations you provide to us to prepare your tax returns. We have not been engaged to and will not prepare financial statements. We will not audit or otherwise verify the data you submit to us, although we may ask you to clarify certain information.

We will prepare the above-referenced tax returns solely for filing with the Internal Revenue Service ("IRS") and applicable state and local tax authorities. Our work is not intended to benefit or influence any third party, either to obtain credit or for any other purpose.

You agree to indemnify and hold us harmless with respect to any and all claims arising from the use of the tax returns for any purpose other than filing with the IRS, state and local tax authorities regardless of the nature of the claim, including the negligence of any party.

Our engagement does not include any procedures designed to detect errors, fraud, theft, or other wrongdoing. Therefore, our engagement cannot be relied upon to disclose such matters. In addition, we are not responsible for identifying or communicating deficiencies in your internal controls. You are responsible for developing and implementing internal controls applicable to your operations.

This engagement is limited to the professional services outlined above.

BRYAN
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BRYAN, TX 77803
O: 979-268-1350 F: 979-268-1560

NAVASOTA
211 E. WASHINGTON AVE.
NAVASOTA, TX 77868
O: 936-825-6507 F: 936-825-6508

Amended Tax Return

Before amending previously filed tax returns, we will endeavor to evaluate the tax returns and supporting schedules. Our review of the prior year's tax return(s) will necessarily be limited and may not identify all errors. If, based upon our review of these documents, we determine that additional corrections are needed, or that other tax filing obligations exist, we will explain these matters to you. In addition, we will provide an estimate of any change in tax, penalties and interest that may apply related to any newly identified corrections, as well as any additional fees we may charge to prepare the amended return or file additional returns.

CPA Firm Responsibilities

Unless otherwise noted, we will perform our services in accordance with the Statements on Standards for Tax Services ("SSTs") issued by the American Institute of Certified Public Accountants ("AICPA") and U.S. Treasury Department Circular 230 ("Circular 230"). It is our duty to perform services with the same standard of care that a reasonable tax return preparer would exercise in this type of engagement. It is your responsibility to safeguard your assets and maintain accurate records pertaining to transactions. We will not hold your property in trust for you, or otherwise accept fiduciary duties in the performance of the engagement.

For preparation of Form 1040: We will prepare your tax returns based upon your filing status (single, married filing jointly, married filing separately, head of household or qualifying widow[er] with dependent child) as reflected in your income tax returns for last year. If your filing status has changed, you wish to change your filing status, or you have questions about your filing status, please contact us immediately.

Brewer, Eyeington, Patout & Co., LLP will not make any management decisions or perform management functions on your behalf.

Arguable Positions

We will use our professional judgment to resolve questions in your favor where a tax law is unclear, provided that we have a reasonable belief that there is substantial authority for doing so. If there are conflicting interpretations of the law, we will explain the possible positions that may be taken on your return. We will follow the position you request, provided it is consistent with our understanding of tax reference materials. Tax reference materials include, but are not limited to, the Internal Revenue Code ("IRC"), tax regulations, Revenue Rulings, Revenue Procedures, Private Letter Rulings, court cases, and similar state and local guidance. If the IRS, state or local tax authorities later contest the position you select, additional tax, penalties, and interest may be assessed. You will be responsible for these amounts, as well as any related professional fees, you may incur to respond to the tax authority.

Confidentiality

For preparation of Form 1040: If the tax returns prepared in connection with this engagement are filed using the married filing jointly filing status, both spouses are deemed to be clients of the firm under the terms of this Agreement. Both spouses acknowledge that there is no expectation of privacy from the other concerning our services in connection with this Agreement. We are at liberty to share with either of you, without prior consent of the other, documents and other information concerning the preparation of your tax returns.

Third-Party Service Providers or Subcontractors

To enhance our availability to meet your professional service needs while maintaining service quality and timeliness, we may use a third-party service provider to assist us. This may include provision of your confidential information to the third-party service provider. We require our third-party service providers to have established procedures and controls designed to protect client confidentiality and maintain data security. As the paid provider of professional services, our firm remains responsible for exercising reasonable care in providing such services, and our work product will be subjected to our firm's customary quality control procedures. By accepting the terms and conditions of our engagement, you are providing your consent and authorization to disclose your confidential information to a third-party service provider, if such disclosure is necessary to deliver professional services or provide support services to our firm.

Bookkeeping Assistance

We may deem it necessary to provide you with accounting and bookkeeping assistance solely for the purpose of preparing the tax returns. These services will be performed solely in accordance with the AICPA Code of Professional Conduct. In the event we conclude that such services are necessary to prepare your tax returns, we will advise you in writing before services are performed and bill you for the required services. These services will be billed at our standard hourly rates and will be subject to the terms of this Agreement.

Prior Year Review

Our review of the prior year's tax return will necessarily be limited and may not find all errors. We will, however, bring to your attention errors that we do find. Similarly, if you become aware of any information impacting prior year tax returns, please contact us. If an error or information impacting prior year tax returns is discovered by you or us, we will discuss resolution options with you. If you ask us to prepare amended tax returns, and we agree, we will confirm this engagement in a separate written agreement.

Estimated Tax Payments

For preparation of Form 1040, and/or Form 1120, and/or Form 1041, and/or Form 990-T: You may be required to make quarterly estimated tax payments. We will calculate these payments for the 2023 tax year based upon the information you provide to prepare your 2022 tax returns (the "safe harbor" rule). Updating recommended quarterly estimated tax payments to more closely reflect your actual current year's income is not within the scope of this engagement, unless requested by you, and agreed to by us, in writing. These services will be billed at our standard hourly rates and will be subject to the terms of this Agreement.

Tax Planning Services

Tax planning services are not within the scope of this engagement. However, during the period covered by this Agreement, you may ask questions, or we may, at our sole discretion, bring to your attention potential tax planning opportunities for your consideration (collectively "additional services"). Prior to proceeding with any additional services beyond those in the *Engagement Objective and Scope* section of this Agreement, we will confirm our understanding of the scope of the additional services with you in writing. Additional services will be billed at our standard hourly rates and will be subject to the terms of this Agreement.

Government Inquiries

This engagement does not include responding to inquiries by any governmental agency or tax authority. If your tax return is selected for examination or audit, you may request our assistance in responding to such an inquiry. If you ask us to represent you, and we agree, we will confirm this engagement in a separate written agreement.

Third Party Requests

We will not respond to any request from banks, mortgage brokers or others for verification of any information reported on these tax returns. We do not communicate with third parties or provide them with copies of tax returns.

Divorce

If you inform us of your pending divorce, we will advise each of you to seek independent tax advice as we will not be able to advise either of you until your divorce is finalized. In order to prepare your return, we will require written instruction from your respective divorce attorneys [or, if the spouse(s) is/are unrepresented, the unrepresented spouse(s)] providing decisions we need to prepare your tax return. For example, your income tax return filing status is an item about which we will need instruction. Electing a filing status of married filing jointly establishes joint liability for taxes owed. If we do not receive instruction agreed to by you and your spouse to prepare your returns prior to the filing deadline, you will be responsible for any late filing and late payment penalties assessed. In the event that you elect to file separate tax returns, you will both be required to sign new, separate written agreements prior to the preparation of the returns. As you may have conflicting interests with your spouse, you will both be required to sign a conflict of interest waiver before we are able to prepare your returns.

Conflicts of Interest

If we, in our sole discretion, believe a conflict has arisen affecting our ability to deliver services to you in accordance with either the ethical standards of our firm or the ethical standards of our profession, we may be required to suspend or terminate our services without issuing our work product.

Tax Advice

Any advice we may provide is based upon tax reference materials, facts, assumptions, and representations that are subject to change. We will not update our advice after the conclusion of the engagement for subsequent legislative or administrative changes or future judicial interpretations. To the extent we provide written advice concerning federal tax matters, we will follow the guidance contained in Circular 230, §10.37, Requirements for Written Advice.

Reliance on Others

There may be times when another tax advisor is engaged to assist us in providing services. If you wish to take a tax position based upon the advice of another tax advisor, we must comply with Circular 230, §10.37(b) and AICPA SSTS No. 1 and related Interpretations 1-1 and 1-2, which require the position to meet the “realistic possibility,” “substantial authority,” or “more likely than not” standard, as applicable. You agree to obtain a written statement from the advisor confirming the standard that should apply so the position may be properly disclosed. If additional research or disclosure is required, you agree to pay for the additional charges necessary to complete the disclosure or research. Moreover, you understand that the IRS, state or local tax authority could disagree with the position taken on the return. If this occurs, you will be responsible for any additional tax, penalties and interest, as well as any related professional fees, you may incur.

Substantial Understatement Penalties

The IRS and many states impose penalties for substantial understatement of tax. To avoid the substantial understatement penalty for federal purposes, you must have substantial authority to support the tax treatment of the item challenged by the IRS or have an adequate disclosure of the item. To fulfill the adequate disclosure requirement, you may be required to attach to your tax return a completed Form 8275, Disclosure Statement, or Form 8275-R, Regulation Disclosure Statement, which discloses all relevant facts. Similar rules may apply at the state level.

You agree to advise us if you wish to disclose a tax treatment on your return. If you request our assistance in identifying or performing further research to ascertain if there is substantial authority for the proposed position to be taken on the tax item(s) in your returns, and we agree, we will confirm this engagement in a separate written agreement. You are responsible for contacting us if additional assistance is required.

If we conclude as a result of our research that you are required to disclose a transaction on your tax return, you consent to attach Form 8275 or Form 8275-R to your tax return for filing after we discuss the matter with you. If the IRS, state or local tax authorities later contest the position taken, additional tax, penalties, and interest may be assessed. You will be responsible for these amounts, as well as any related professional fees, you may incur to defend the position taken.

Tax Return Preparer Standards, Reportable Transactions and Tax Shelters

Pursuant to the standards prescribed in Circular 230 and IRC §6694, we, as tax return preparers, are prohibited from signing a tax return unless we have a reasonable belief that there is substantial authority for a tax position taken on the tax return, or we have a reasonable basis for the tax return position taken in the return, and we disclose this tax position in a separate attachment to the tax return.

The law imposes substantial penalties on taxpayers and tax advisors for failure to disclose listed and other reportable transactions on Form 8886, Reportable Transaction Disclosure Statement. In general, reportable transactions are potentially abusive transactions identified by the IRS that have a primary purpose of tax avoidance, including but not limited to listed transactions, confidential transactions, transactions with contractual protection, loss transactions, and transactions of interest (a definition of “reportable transactions” is located at <https://www.irs.gov/instructions/i8886> and includes a link to a summary of listed transactions).

The law imposes substantial penalties on taxpayers and tax advisors for failure to disclose tax shelters on Form 8271, Investor Reporting of a Tax Shelter Registration Number. A tax shelter is defined in IRC §6662(d)(2)(C) as a partnership or other entity, investment plan or arrangement, or any other plan or arrangement if a significant purpose of such partnership, entity, plan or arrangement is the avoidance or evasion of federal income tax.

You agree to advise us of any tax shelters and/or reportable transactions identified in tax reference materials. Unless a reportable transaction is more likely than not to be sustained on its merits, IRC §6662A, Imposition of Accuracy-Related Penalty on Understatements with Respect to Reportable Transactions, requires us to disclose the reportable

transaction in a separate attachment to the tax return. Similarly, unless a tax shelter is more likely than not to be sustained on its merits, IRC §6662(d)(2)(C)(ii), Imposition of Accuracy-Related Penalty on Underpayments, requires us to disclose tax shelters in a separate attachment to the tax return.

If you do not consent to a required disclosure, we may be unable to prepare your tax returns.

You will be responsible for any liability, including but not limited to, additional tax, penalties, interest and related professional fees resulting from your failure to timely notify us, in writing, of any tax shelters and/or reportable transactions identified in tax reference materials in order to facilitate the timely preparation and filing of your tax returns.

Client Responsibilities

If you would like, we will provide you with an income tax organizer to help you compile and document the information necessary to prepare your income tax returns. You must complete the income tax organizer with accurate and complete information.

When applicable, you will provide us with complete copies of previously filed tax returns, supporting schedules, a trial balance and other supporting data necessary to prepare your tax returns. You must provide us with accurate and complete information. Income from all sources, including those outside the U.S., is required to be reported.

Online Access to Information

To the extent you provide our firm with access to electronic data via a local or online database from which we will download your trial balance or other information, you agree that the data is accurate as of the date and time you authorize it to be downloaded. You also agree that you have an alternate copy of any information provided to us digitally.

Changes in Ownership

You are responsible for advising us of any changes in ownership, in business entities, so that it may be properly reflect on the tax returns.

Tax Basis Schedules

For preparation of Form 1065:

The tax return may be required to disclose the partner's capital account analysis as prepared on the tax basis method using the transactional approach. This analysis is necessary in order to determine the partner's ability to deduct losses, calculate the gain on the sale of a partnership interest, and for other calculations. As a result, properly calculating the partner's capital account is necessary for preparation of partner tax returns. Unless told otherwise, we will rely upon the historical balances disclosed on last year's tax return. If these balances cannot be relied upon and you ask us to prepare this analysis, and we agree to do so, we will confirm this service in a separate written agreement.

For preparation of Form 1120S:

The S corporation return discloses the historical and adjusted balances in the Accumulated Adjustment Account (AAA), Other Adjustments Account (OAA) and Accumulated Earnings and Profits (E&P). AAA, OAA and E&P, in addition to tax basis schedules for shareholders, are necessary in order to determine the shareholder's ability to deduct losses, calculate the gain on the sale of an S corporation interest, and for other calculations. As a result, properly calculating these accounts is necessary for preparation of shareholder tax returns. Unless told otherwise, we will rely upon the historical balances disclosed on last year's tax return. If these balances cannot be relied upon and you ask us to prepare this analysis, and we agree to do so, we will confirm this service in a separate written agreement.

Reasonable Compensation and Partner Compensation

For preparation of Form 1040, and/or Form 1120, and/or Form 1120S, and/or Form 1065, and/or Form 990:

You are responsible for determining the appropriate salary or wage to pay employees and shareholder-employees. If the IRS determines that the organization/entity failed to pay appropriate salaries or wages, or made distributions in lieu of an appropriate shareholder salary or wage, the IRS may reclassify the payments. As a result of the reclassification, the organization/entity/individual may be responsible for employment taxes on the reclassified

amounts in addition to penalties and interest. You agree to hold our firm harmless with respect to any liability including but not limited to, additional tax, penalties, interest and professional fees resulting from any reclassification.

A partner or LLC member receiving a guaranteed salary payment is not regarded as an employee of the entity for the purpose of withholding or Social Security taxes. Any additional fringe benefits a partner or LLC member receives are not subject to withholding. These fringe benefits may, however, be included in the income of the partner or LLC member. You are responsible for informing us of the total guaranteed payments, including fringe benefits, received by each partner or LLC member,

Unrelated Business Taxable Income

For preparation of Form 990-T:

If your organization produces revenue from a trade or business activity not directly related to its tax-exempt purpose, it may have unrelated business taxable income that must be reported separately from other income. You are responsible for informing us of any potential unrelated business taxable income. At your written request, we are available to provide you with written answers to your questions on this matter.

Partnership or Limited Liability Company (LLC) Agreement

You should review your partnership (or LLC) agreement with your attorney to ensure it addresses the significant changes to the partnership audit regime that will generally apply to partnership returns filed after 2018. These changes include, but are not limited to the following:

- Replacement of a “tax matters partner” with a “partnership representative,”
- Current partners being held responsible for tax liabilities of prior partners,
- The partnership being held responsible for remittance of additional tax rather than individual partners being taxed, and
- Numerous elections or opt-outs that the “partnership representative” may make.

In addition, you should review your partnership or LLC agreement to ensure that it meets your goals for the transfer of ownership and distribution of income. Often, partnership agreements fail to address the transfer of ownership or may require updating as circumstances change. A review of your partnership or LLC agreement is not within the scope of this engagement.

S Corporation Distributions

For preparation of Form 1120S:

Distributions should be made to shareholders on a per share, per day basis. If distributions were not made proportionately, the IRS may take corrective action, including potentially revoking the entity’s S corporation election, which may result in unfavorable tax consequences. As such, it is your responsibility to ensure that shareholder distributions are made on a pro-rata basis.

Schedule K-1 Distribution

For preparation of Form 1120S, and/or Form 1065, and/or Form 1041:

You are responsible for distributing a copy of applicable Schedule K-1s to each shareholder, partner, member, or beneficiary.

Documentation

You are responsible for maintaining adequate documentation to substantiate the accuracy and completeness of your tax returns. Our records are not a substitute for yours. You should retain all documents that provide evidence and support for reported income, credits, deductions, and other information on your returns, as required under applicable tax laws and regulations. You represent that you have such documentation and can produce it, if necessary, to respond to any audit or inquiry by tax authorities. You will be responsible for any liability, including but not limited to, additional tax, penalties, interest and related professional fees, resulting from the disallowance of tax deductions due to inadequate documentation.

Gift Tax Returns

For preparation of Form 709: The IRS considers a gift to be any transfer to an individual, either directly or indirectly, where full consideration (measured in money or money's worth) is not received in return. Under federal tax law, certain gifts are taxable and subject to an annual gift tax exclusion amount, which for 2022, is \$16,000 per taxpayer. You are responsible for informing us if gift tax returns are required to be filed. If you ask us to prepare these returns, and we agree, we will confirm this representation in a separate written agreement.

Gifts Received from Foreign Persons

If you received a gift or bequest from a foreign person or trust, you may be required to file a separate IRS Form 3520, *Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts* or Form 3520-A, *Annual Information Return of Foreign Trust with a U.S. Owner*. If you ask us to prepare this return, and we agree, we will confirm this engagement in a separate written agreement.

Personal Expenses

You are responsible for ensuring that personal expenses, if any, are segregated from business expenses and that expenses such as meals, travel, vehicle use, gifts, and related expenses are supported by documentation and records required by the IRS and other tax authorities. At your written request, we are available to provide you with written answers to your questions on the types of supporting records required.

State and Local Filing Obligations

You are responsible for determining your filing obligations with any state or local tax authorities, including but not limited to, income, franchise, sales, use, and property taxes or abandoned and unclaimed property. If upon review of the information you have provided to us, including information that comes to our attention, we believe that you may have additional filing obligations, we will notify you. You acknowledge that the scope of our services under this Agreement does not include any services related to your compliance with filing obligations other than those identified in the *Engagement Objective and Scope* section of this Agreement. If you ask us to prepare any other returns, and we agree, we will confirm this engagement in a separate written agreement. You will be responsible for penalties associated with the failure to file or untimely filing of any form for which we were not engaged to prepare.

U.S. Filing Obligations Related to Foreign Investments

Based on the information you provide, you may have additional filing obligations, including but not limited to:

- Ownership of or an officer relationship with respect to certain foreign corporations (Form 5471);
- Foreign-owned U.S. corporation or domestic disregarded entity (Form 5472);
- Foreign corporation engaged in a U.S. trade or business (Form 5472);
- U.S. transferor of property to a foreign corporation (Form 926);
- U.S. person with an interest in a foreign trust (Forms 3520 and 3520-A);
- U.S. person with interests in a foreign partnership (Form 8865);
- U.S. person with interests in a foreign disregarded entity (Form 8858); or
- Statement of specified foreign assets (Form 8938).

You are responsible for informing us of all foreign assets owned directly or indirectly, including but not limited to financial accounts with foreign institutions, other foreign non-account investments, and ownership of any foreign entities, regardless of amount. If upon review of the information you have provided to us, including information that comes to our attention, we believe that you may have additional filing obligations, we will notify you.

Based upon the information you provide, we will use this data to inform you of any additional filing requirements, which may include FinCEN Form 114, *Report of Foreign Bank and Financial Accounts* ("FBAR"). The FBAR is not a tax return and its preparation is not within the scope of this engagement. If you ask us to prepare the FBAR, and we agree, we will confirm this engagement in a separate written agreement.

Failure to timely file the required forms may result in substantial civil and/or criminal penalties. By your signature below, you agree to provide us with complete and accurate information regarding any foreign investments in which you have a direct or indirect interest, or over which you have signature authority, during the above referenced tax year.

The foreign reporting requirements are very complex. If you have any questions regarding the application of the reporting requirements for your foreign interests or activities, please ask us and we will respond in writing. You will be responsible for penalties associated with the failure to file or untimely filing of any of these forms.

Foreign Filing Obligations

You are responsible for complying with the tax filing requirements of any other country. You acknowledge and agree that we have no responsibility to raise these issues with you and that foreign filing obligations are not within the scope of this engagement.

Digital Assets

There are specific tax implications of investing in digital assets (e.g., virtual currencies such as Bitcoin, non-fungible tokens, virtual real estate and similar assets). The IRS considers these to be property for U.S. federal income tax purposes. As such, any transactions in, or transactions that use, digital assets are subject to the same general tax principles that apply to other property transactions.

If you transacted in digital assets during the tax year, you may have tax consequences and/or additional reporting obligations associated with such transactions. You agree to provide us with complete and accurate information regarding any transactions in, or transactions that have used, digital assets during the applicable tax year. If you have any questions regarding your digital assets and/or transactions, please ask us, and we will respond in writing.

Employment Records

You are responsible for obtaining Form I-9, Employment Eligibility Verification, from each new employee at the time of employment. In addition, Form W-4, Employee's Withholding Allowance Certificate, and the applicable state equivalent, should be retained for all employees. Failure to obtain these forms may subject an employer to penalties. Additional state requirements related to employment records may exist. At your written request, we are available to provide written answers to your questions on required documentation.

Worker Classification

You acknowledge and confirm that you, in consultation with other professional advisors, as needed, are responsible for determining the correctness of any worker classification. Payroll tax withholding and related employer payroll tax implications result from this determination. We cannot advise you with respect to worker classification and will rely upon your determination of same.

We recommend obtaining a signed contract and signed Form W-9, Request for Taxpayer Identification Number and Certification, or Form W-8BEN, Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding and Reporting (Individuals), from all independent contractors. You should provide all independent contractors with both forms and let them determine the form (W-9 or W-8BEN) that reflects their status.

You should also issue a Form 1099-NEC, Nonemployee Compensation, to all unincorporated domestic independent contractors to whom you pay \$600 or more for services. For those who provided a completed Form W-8BEN, a Form 1042-S must be issued to individuals if any payment is made from U.S. sources that would be deemed to be fixed or determinable annual or periodical income or other types of income included in the instructions, even if these payments are subject to a reduced income tax withholding rate or are exempt from income tax withholding due to an income tax treaty. In addition, state rules should also be reviewed to determine if state taxes are required to be withheld and separate returns completed for any independent contractor. At your written request, we are available to provide written answers to your questions on required documentation.

Some of these filings are due as early as January 31, 2023, with significant penalties assessed for late filing, non-filing and filing of incorrect information. Preparation of these forms is not within the scope of this Agreement. If you ask us to prepare these forms, and we agree, we will confirm this engagement in a separate written agreement. If you fail to adhere to the filing deadlines, you will be responsible for any penalties, interest and related professional fees for the improper filing.

Ultimate Responsibility

You have final responsibility for the accuracy of your tax returns. We will provide you with a copy of your electronic tax returns and accompanying schedules and statements for review prior to filing with the IRS, state and local tax authorities, as applicable. You agree to review and examine them carefully for accuracy and completeness.

You, and any joint filer, will be required to verify and sign a completed Form 8879, IRS e-file Signature Authorization, and any similar state and local equivalent authorization form before your returns can be filed electronically.

In the event that you do not wish to have your tax returns filed electronically, please contact our firm. You are responsible for reviewing the paper returns for accuracy, signing them, and filing them timely with the tax authorities.

Timing of the Engagement

We expect to begin our services upon receipt of this executed Agreement and all documents requested either in the organizer or by our office.

Our services will conclude upon the earlier of:

- the filing and acceptance of your 2022 tax returns by the appropriate tax authorities and mailing or delivery of non-electronically filed tax returns (if any) to you for your review and your filing with the appropriate tax authorities,
- written notification by either party that the engagement is terminated, or
- one year from the execution date of this Agreement.

If you have the option to file a paper return and elect to do so, our services will conclude upon the earlier of:

- mailing or delivery of your 2022 tax returns to you for your review and your filing with the appropriate tax authorities,
- written notification by either party that the engagement is terminated, or
- one year from the execution date of this Agreement.

Penalties and Interest Charges

Federal, state, and local tax authorities impose various penalties and interest charges for non-compliance with tax laws and regulations, including failure to file or late filing of returns, and underpayment of taxes. You will be responsible for the payment of any additional tax, penalties, and interest charges imposed by tax authorities.

Penalties may be due on any balances with amended tax return(s). You will be responsible for payment of any additional tax, penalties and interest charges imposed by tax authorities

Virtual Currency Yes _____ / No _____ (CHECK THE APPROPRIATE BOX & INITIAL)

At any time during 2022, did you receive, sell, exchange, gift or otherwise dispose of a digital asset (or financial interest in a digital asset)?

Separate Engagement Letters _____ (INITIAL)

If you ask us to perform any other services, for example providing bookkeeping assistance, updating estimated tax payments, providing tax planning services, etc., that are not specifically addressed in this Agreement, we will confirm this representation in a separate written agreement.

Extensions of Time to File Tax Returns _____ (INITIAL)

S-Corporation and Partnerships: The original filing due date for your federal income tax return is March 15, 2023. ***Due to the high volume of tax returns prepared by our firm, it may be necessary to apply for an extension of time to file your tax return. If your return is on extension, we must receive your information by August 1, 2023 so that the returns may be completed by the extended filing due date***

Corporation, Trusts, and Individuals: The original filing due date for your federal income tax return is April 18, 2023. ***Due to the high volume of tax returns prepared by our firm, it may be necessary to apply for an extension of time to file your tax return. If your return is on extension, we must receive your information by September 1, 2023 so that the returns may be completed by the extended filing due date.***

It may become necessary to apply for an extension of the filing deadline if there are unresolved issues or delays in processing, or if we do not receive all of the necessary information from you on a timely basis.

Applying for an extension of time to file may limit your ability to make certain elections, extend the time available for a government agency to undertake an audit of your return and/or extend the statute of limitations to file a legal action. If we apply for an extension of time to file, you agree to hold our firm harmless from any consequences arising from any election waived. All taxes owed are due by the original filing due date. Additionally, extensions may affect your liability for penalties and interest or compliance with governmental or other deadlines.

Professional Fees _____ (INITIAL)

Our professional fee is based upon the complexity of the work to be performed, our professional time and out-of-pocket expenses. Circumstances may arise that impact our fee such as, but not limited to, issues encountered with the timely delivery, availability, quality, or completeness of the information you provide to us, changes in your personnel or operations that impact our services or other unanticipated items that arise during our engagement and that require additional time in order to complete the agreed-upon services. You agree that you will deliver all records requested and respond to all inquiries made by our staff to complete this engagement on a timely basis. You agree to pay all fees and expenses incurred whether or not we prepare the tax returns.

You agree to pay the balance of our fees, on your account, PRIOR to our electronically filing your return or PRIOR to our providing copies of your return for paper filing. We do not release incomplete tax returns.

* * * * *

We appreciate the opportunity to be of service to you. A copy of this Agreement can be found on our website at www.bepcocpa.com. Please date and execute this Agreement and return it to us to acknowledge your acceptance. We will not initiate services until we receive the executed Agreement.

Sincerely,
Brewer, Eyeington, Patout & Co., LLP

ACCEPTED:

[Client Signature & Printed Name]

[Date]