



Accounting Strategies Group, LLC

Certified Public Accountants

November 1, 2018

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This letter is to confirm and specify the terms of our engagement for the year ended December 31, 2018, and to clarify the nature and extent of the tax services we will provide.

We will prepare the 2018 federal and requested state income tax returns from the information you provide us. 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(s), we will inform you of the obligation and may prepare the appropriate return(s) 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 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. You also have final responsibility for the tax return and, therefore, the appropriate officials should review the return carefully before an authorized officer signs and files it.

You are responsible for assuming all management responsibilities, and for overseeing any services we provide by designating an individual, preferably within senior management, who possesses suitable skill, 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.

We may provide you with a questionnaire or other document requesting specific information. Completing those 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 clarification of some information. As part of this engagement, we may also recommend year-end adjusting entries be made to your records, and may assist you in doing so.

It is important for you to know that the Internal Revenue Code provides for a penalty known as the accuracy-related penalty to be imposed where a taxpayer is determined to show negligence or disregard to rules and regulations, or if the taxpayer makes a substantial understatement of his tax liability.

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.

Your returns are due March 15, 2019, and while it is possible to apply for an automatic six-month extension, generally the full amount of your tax liability must be paid by March 15, 2019, to avoid interest and/or penalties. **In order to ensure the completion of your tax returns by March 15, 2019, we will require all of your information by February 22, 2019.**

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. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of 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. However, we will not disclose any tax return information to third parties without your express written consent.

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 for consent.

The Internal Revenue Code and regulations impose preparation and disclosure standards with noncompliance penalties on both the preparer of a tax return and on the taxpayer. To avoid exposure to the 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 do not meet these standards. Accordingly, we will advise you if we identify such a situation and we will discuss those 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. Likewise, where we disagree about the obligation to disclose a position, you also have a right to choose another professional to prepare your return. In either event, 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 retain records related to this engagement for a period of 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 seven-year period, we are free to destroy our records related to this engagement. Our firm utilizes a professional shredding firm to destroy all tax returns and workpapers in a confidential manner. Physical deterioration or catastrophic events may shorten the term during which our records will be available. The workpapers and files of our firm are not a substitute for your original records. It is agreed and understood that in connection with the performance of this engagement by Accounting Strategies Group, LLC, the workpapers prepared by the firm shall remain the property of Accounting Strategies Group, LLC.

Our firm privacy policy is available on our website at www.accountingstrategiesgroup.com.

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, your employees, or agents 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 attorneys' 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).

Our fees for tax services will be based in part upon the amount of time required at our standard billing rates for the personnel working on the engagement, plus out-of-pocket expenses. All invoices are due and payable upon presentation. Amounts not paid within 30 days from the invoice date will be subject to a late payment charge of 1.0% per month (12% per year). If for any reason the account is turned over to an attorney for collection, you will be responsible for all costs incurred, including but not limited to court costs, collection fees and attorneys' fees. All returned checks will be subject to a \$30 fee. Our fees do not include responding to Internal Revenue Service inquiries, and you should understand that we are not responsible for Internal Revenue Service disallowance of inadequately supported deductions or for resulting taxes, penalties, and interest. **We will not begin work on your 2018 return until your account is paid in full.**

In the event of a dispute related in any way to our services, our firm and you agree 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 appointment of a mediator. We will share the mediator's fees and expenses equally, but otherwise will bear our own attorneys' fees and mediation cost. 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.

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.

We have the right to withdraw from this engagement, in our discretion, if you do not 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 your return and will constitute completion of our engagement. You agree to compensate us for our time and out-of-pocket expenses through the date of withdrawal.

If the foregoing correctly sets forth your understanding of our tax engagement, **please sign this letter in the space below and return it to our office as soon as possible.** Please maintain a copy for your records. If you disagree with any of these terms, please notify us immediately. If you do not understand any of the terms of this agreement, please call and we will be happy to review them with you.

We appreciate the opportunity to serve you, and look forward to a continuing, mutually satisfying relationship.

Very truly yours,

Accounting Strategies Group, LLC

Accounting Strategies Group, LLC
Certified Public Accountants

AGREED AND ACCEPTED: The undersigned hereby unconditionally personally guarantees payment of this account.

BY _____ (Officer)	_____
_____	_____
(Title)	(Date)
_____	_____
On Behalf Of: (Name of Business)	(Email)

You may return this signed letter to our office:

- Via email to: jen@asg-cpas.com
- Via fax to: 410-673-1385
- Via mail to: Accounting Strategies Group, LLC
PO Box 369
Preston, MD 21655