



Engagement Letter

January 2021

Subject: Preparation of 2020 Tax Returns

Dear Client:

Thank you for choosing Hartwell & Company to assist you with your 2020 taxes. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide.

We will prepare your 2020 federal and state income tax returns. We will depend on you to provide the information we need to prepare complete and accurate returns. We may ask you to clarify some items but will not audit or otherwise verify the data you submit. We encourage you to use the checklist we have provided on our website to assist you in gathering the information. You may also request a tax organizer and we will provide one if so desired.

We will perform accounting services only as needed to prepare your tax returns. Our work will not include procedures to find defalcations or other irregularities. Accordingly, our engagement should not be relied upon to disclose errors, fraud, or other illegal acts, though it may be necessary for you to clarify some of the information you submit. We will inform you of any material errors, fraud, or other illegal acts we discover.

The law imposes penalties when taxpayers underestimate their tax liability. Call us if you have concerns about such penalties.

Should we encounter instances of unclear tax law, or of potential conflicts in the interpretation of the law, we will outline the reasonable courses of action and the risks and consequences of each. We will ultimately adopt, on your behalf, the alternative you select.

Our fee is determined based on a combination of complexity, time, risk, and a predetermined price per form. Please be aware that our policy is for payment upon delivery of services.

We will return your original records to you at the end of this engagement. Store these records, along with all supporting documents in a secure location. We retain electronic copies of your records and our workpapers from your engagement for up to seven years but we reserve the right to store them longer.

If you have not selected to e-file your returns with our office, you will be solely responsible to file the returns with the appropriate tax authorities. Review all tax-return documents carefully before signing them. Our engagement to prepare your 2020 tax returns will conclude with the delivery of the completed returns to you, or with e-filed returns, with your signature and our subsequent submittal of your tax return.

Please note that any person or entity subject to the jurisdiction of the United States having a financial interest in, or signature or other authority over, bank accounts, securities, or other financial accounts

having an aggregate value exceeding \$10,000 in a foreign country, shall report such a relationship. Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties. You are required to disclose the above mentioned requirements if applicable, on form 8938 of your tax return. Unless informed otherwise, we will presume you have no such requirement and will not file that form. If you do meet the above requirements and do not inform us, we will not be responsible for any penalties.

Our fee does not include responding to inquiries or examination by taxing authorities or third parties for which you will be separately billed for time and expenses involved. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter. You agree to immediately notify us of any correspondence from any agency covered by this letter.

Privacy laws established by the IRS prohibit us from providing confidential information or copies to anyone other than you without your specific, written authorization. By signing this engagement letter, you specifically approve all employees, contracted employees, or designated as employees, of Hartwell & Company to access your records for purposes of tax evaluation, tax preparation and for ways in which to render additional services in whatsoever fashion they feel could improve your overall financial status. You also authorize those same individuals to share these thoughts and observations with you as the situation presents itself.

To comply with the privacy laws, we are making available to you our secure portal from which you may request access to current and past tax returns and supporting documentation. You may use this secure portal to also send us information. In the interest of maintaining service quality and timeliness, we may use a 3rd party service provider to assist us in the use of technology to facilitate compliance with disclosure and storage of your tax information. We and the 3rd party provider have established written procedures and controls designed to protect client confidentiality and maintain data security. Your rights to access this portal will be suspended within 30 days of the termination of our service relationship.

In recognition of the relative risks and benefits of this agreement to both the client and accounting firm, the client and the accounting firm have agreed on the fair allocation of risk between them. As such, the client agrees, to the fullest extent permitted by law, to limit the liability of the accounting firm to the client for any, and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the accounting firm to the client shall not exceed the accounting firm's total fee for services rendered under this agreement. The client and the accounting firm intend and agree that this limitation apply to any and all liability or cause of action against the accounting firm, however alleged or arising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring a claim against us for errors and omissions. The one year period will begin upon the date of the tax professional's signature on the tax returns covered by this engagement letter. The accounting firm reserves the right to make exceptions to this requirement, given specific previously unknown extenuating factors, but is not required to do so.

We appreciate the opportunity to serve you. Please date and sign the enclosed copy of this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. It is our policy to initiate services after we receive the executed engagement letter. If any

provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

Thank you for the opportunity to be of service. For further assistance with your tax return needs, contact our office at (269) 983-2212.

Sincerely,

James V. Hartwell
Hartwell & Company

Accepted By:

Signature

Date

___ Taxpayer (1040 Returns)

___ Tax Matters Representative

Name of Partnership: _____

___ Officer (Corporations)

Position/Title: _____ Entity: _____

___ Fiduciary or Officer representing Fiduciary

Name of Estate or Trust: _____

Spouse (if applicable)

Date

Engagement Letter