



Jack W. Olds & Company, LLP is pleased to provide you with the professional services described below. This letter (referred to as “Agreement”), confirms 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

We will prepare the Federal tax return and any state or local tax returns that you have requested and for which you have made us aware.

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. Unless agreed upon in an additional and separate document, we will not prepare financial statements for you. 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, or theft. 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.

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.

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 before services are performed and bill you for the required services. You agree to pay for those required services.

Client Responsibilities

You will provide us with 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 of the U.S., must be reported.

Reasonable Compensation

You are responsible for determining the appropriate salary or wage to pay shareholder-employees (if applicable). If the IRS determines that your company paid salaries or wages in lieu of an appropriate taxable dividend, the IRS may reclassify the payments. As a result of the reclassification, the shareholder (if applicable) may be responsible for tax, penalties and interest on the taxable dividend in addition to potential employment taxes on the reclassified amounts. 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.

Changes in Ownership

You are responsible for advising us of any changes in ownership so we can properly reflect those on the tax returns.

Documentation

You are responsible for maintaining adequate documentation to substantiate the accuracy and completeness of your tax returns. 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 agree to hold our firm harmless from any liability, including but not limited to: additional tax, penalties, interest and professional fees resulting from the disallowance of tax deductions due to inadequate documentation. It is our policy to retain engagement documentation for a period of seven years, after which we will commence the process of destroying the contents of our engagement files.

Email Communication

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.

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 necessary 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

On June 21, 2018, the U.S. Supreme Court reversed the long-standing physical presence nexus standard in *South Dakota v. Wayfair, Inc. et. al.* This decision significantly changes the landscape of sales and use tax compliance, especially for online sellers. If you wish to understand the impact of the decision on your business, please so advise and we will confirm this in a separate Agreement.

You are responsible for determining your tax filing obligations with any state or local tax authorities, including, but not limited to: income, franchise, sales, use, property or unclaimed property taxes. 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 tax 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 to do so, we will confirm this engagement in a separate Agreement.

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.

Failure to timely file the required forms may result in substantial civil and/or criminal penalties. By your acceptance of this Agreement, you agree to provide us with complete and accurate information regarding any foreign investments in which you have a direct or indirect interest in, 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. Only advice that is in writing may be relied upon. We assume no liability 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.

Virtual Currency

The IRS considers virtual currency (e.g. Bitcoin) as property for U.S. federal income tax purposes. As such, any transactions in, or transactions that use, virtual currency are subject to the same general tax principles that apply to other property transactions.

If you had virtual currency activity during the tax year, you may be subject to tax consequences associated with such transactions and may have additional reporting obligations. You agree to provide us with complete and accurate information regarding any transactions in, or transactions that have used, virtual currency during the applicable tax year.

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 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.

Timing of the Engagement

We expect to begin our services upon receipt of this executed Agreement, your year end trial balance, and other supporting data.

Our services will conclude upon the earlier of:

- the filing and acceptance of your 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.

Extensions of Time to File Tax Returns

Due to the high volume of tax returns prepared by our firm, you must provide the information needed to prepare the tax returns no later than one month prior to the legal tax due date. Failure to do so may result in the inability to complete your returns by the original filing due dates.

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 extend the time available for a government agency to undertake an audit of your return or may extend the statute of limitations to file a legal action. 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.

To the extent you wish to engage our firm to apply for extensions of time to file tax returns on your behalf, you must notify us of this request in writing. Our firm will not file these applications unless we receive an executed copy of this Agreement and your express written authorization to file for an extension. In some cases, your signature may be required on such applications prior to filing. Failure to timely request an extension of time to file can result in penalties for failure to file tax returns, which accrue from the original due date of the returns, and can be substantial.

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, as the taxpayer, remain responsible for the payment of all tax, penalties, and interest charges imposed by tax authorities.

Professional Fee

Our fee for these services will be based upon the complexity of the work to be performed and our professional time as well as out-of-pocket expenses. In addition, this fee depends upon the timely delivery, availability, quality, and completeness of the information you provide to us. 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. All invoices are due and payable upon presentation.

We appreciate the opportunity to be of service to you. To accept our firm's offer to perform services based upon the terms set forth in this Agreement, please forward your tax return information to our attention. By doing so, you are agreeing to be bound by the terms set forth above.