

INDIVIDUAL TAX RETURN ENGAGEMENT AGREEMENT

Thank you for choosing De Novo Tax and Advisors (“Firm”) to assist you with your taxes. This agreement confirms the terms of our engagement with you and outlines the nature and extent of the services we will provide. Any specific services requested by you not provided for in this engagement agreement (“Agreement”) may require an additional engagement agreement to cover such requested services. Services that are not specifically identified and defined in this Agreement will not be performed by the Firm.

Preparation of Tax Returns

We will prepare your Federal, State and Local income tax returns. In preparing your returns, we may use in-house or external processing capabilities with tax preparers being both on site and in remote locations. Secure data transmission processes are in place for document transfers. The Firm uses Drake Software, a nationally recognized tax preparation software, to prepare and electronically file each of your returns.

The Firm will depend on you to provide the tax information necessary to prepare a complete and accurate tax return(s). We may ask you to clarify or provide additional information necessary to complete a tax return, but we will not audit or otherwise verify the data that you submit. If you supply incomplete or incorrect data, it may delay the preparation of your return or cause your return to be prepared incorrectly. Submission of incorrect or incomplete data used to prepare your return is solely your responsibility and any penalties or interest associated with the errors are your responsibility. As an aid to collecting the information for your return, the Firm will provide you with a questionnaire/organizer or other document requesting specific information. Once completed and attached to the other data, you may submit the information for return preparation. Failure to fully complete the questionnaire and supply required data may extend the time required to complete the return and subsequently the fee associated with the return preparation.

The Firm will perform accounting services only to the extent that they are needed to prepare your returns. Clients are expected to provide any raw data such as medical receipts, auto receipts, etc. in summary form to facilitate the time required to organize such data. The Firm’s work will never entail any procedures to investigate defalcations or other irregularities and you should never rely on our procedures to disclose errors, fraud, or other illegal acts. However, if such errors or irregularities should surface in the ordinary course of preparing your return, we will bring it to your attention.

The Firm must use its professional judgment in resolving questions where the tax law is unclear or where there may be conflicting interpretations of the law. To avoid penalties, we will explain the possible positions, and we will adopt whatever position you request if it is consistent with relevant tax authority and professional standards.

If estimated tax payment vouchers are provided to you for the following tax year, it is your responsibility to make the required payments when required. If payments are not made, all penalties and interest for not making such payments in a timely manner are your sole responsibility.

To ensure that your return is filed by the filing due date, all tax information, documentation, and information must be in our offices by March 1st. Information received after that date will not guarantee that your return will be filed in a timely manner and may require the filing of a request for automatic extension. If you know that you will be required to file an extension, the process can be expedited by contacting our office and requesting the extension as soon as possible. Notification of your desire to file an extension is your responsibility and our firm will not be responsible for contacting you to determine if you need to file an extension. Extensions are not automatic and require the client to authorize such filing. As a reminder, an extension provides 6 months of additional time to prepare and file the return. However, it is NOT an extension of time for payment of tax purposes. If an extension is applied for and tax is estimated to be due, it is your responsibility to ensure that any such tax is paid with the extension.

Brokerage, Investment Advisory, Virtual Currency Statements

If you provide the firm with copies of brokerage, investment advisor or cryptocurrency tax statements, we will use the information solely for the purposes of completing your tax return(s). We will rely on the accuracy of the information provided in the statements and will not undertake any action to verify this information. We will not monitor transactions, investment activity, provide investment advice, or supervise the actions of the entity or individuals entering transactions or investment activities on your behalf. We recommend that you receive and carefully review all statements upon receipt and direct any questions regarding account activity to your banker, broker, or investment advisor.

The I.R.S. 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.

Federally Authorized Practitioner – Client Privilege

Internal Revenue Code §7525 Confidentiality Privileges Related to Taxpayer Communication, provides a limited confidentiality privilege applying to the tax advice embodied in taxpayer communications with federally authorized tax practitioners in certain limited situations.

This privilege is limited in several important respects. For example, the privilege may not apply to your records, state tax issues, state tax proceedings, private civil litigation, proceeding, or criminal proceedings.

While we will cooperate with you with respect to the privilege, asserting the privilege is your responsibility. Inadvertent disclosure of otherwise privileged information may result in a waiver of the privilege. Please contact the Firm immediately if you have any questions or need further information about this federally authorized practitioner-client privilege.

Other Client and Firm Responsibilities

It is your responsibility to provide complete tax information to us in a timely manner so that we can

prepare your tax return in time for you to file it by the due dates. You also have the final responsibility for the tax returns and, therefore, once you have received them, you should carefully review the returns to determine that there are no omissions or misstatements before signing them and submitting them to the tax authorities or authorizing e-filing of the returns.

The Firm will use its best judgement to resolve questions in your favor where a tax law is unclear, if 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 the 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 Ruling, court cases, and similar state and local guidance. We assume no liability, and you hereby release us from any liability including but not limited to, additional tax penalties, interest, and related professional fees.

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. If this is not acceptable to either party, under the rules regarding conflicts of interest, the Firm may be required to divest itself of the preparation of either or both parties tax preparation. You must notify us immediately in writing as to your concerns, so that we can make the appropriate decision or recommendation as to preparation of the returns.

Not every interpretation of promulgated tax rules is straightforward and/or without uncertainty. Accordingly, we will use our professional judgment in preparing your returns. If a tax authority should later contest a position taken, or otherwise impose penalties and/ or interest for non-compliance with tax laws and regulations, there may be an assessment of additional tax plus interest and/or penalties. We assume no liability for any such additional assessments. Any items resolved against you by the examining agent are subject to certain rights of appeal. In the event of an examination, we may be available to represent you. Since the selection of your return for review or examination is beyond our control, our fee to prepare your returns do not include responding to inquiries or examinations by tax authorities. In the event we are required by law, government regulation, subpoena, or other legal process, to produce documents or testimony with respect to this Agreement, so long as we are not a party to the proceeding in which the information is sought, you agree to reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel incurred in responding to such demands.

Foreign Assets, Gifts, Investments, Expatriate status and Filing Requirements

If you received a gift or a bequest from a foreign person or trust, you may be required to file a separate I.R.S. 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. You are required to inform us of any such transactions with foreign persons or entities.

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

- Ownership of 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)
- Statement of specified foreign assets (Form 8938)
- U.S. person owning or having an interest in any foreign checking, savings, custody or any type of foreign depository or investment accounts or ownership of real property (Form 8938 and FBAR 114).

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 amounts. 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. With 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 tax year.

The foreign reporting requirements are very complex. If you have any questions regarding the application of the reporting requirements for your foreign interest 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.

Fees

Fees for our services will be charged according to our standard fee schedule for tax return preparation services, which are based on the complexity of your returns (number and type of required forms and schedules and other time considerations). Our services will conclude upon delivery of the completed tax returns or upon our withdrawal from the engagement, if earlier. Fees are considered earned when payment is received or services concluded, whichever is earlier. Invoices are due and payable on the presentation to you. Past due balances may be subject to finance and collection charges.

Communications

Our firm may utilize electronic communications (e.g., fax and email) during this engagement. You consent to our Firm's use of electronic communications and recognize and accept the inherent risks related to these forms of communication (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications, and the risks of viruses or other harmful intrusions). Our Firm, in recognition of these risks, does have secure email capability as

well as a secure Internet Portal which allows the secure transmission of documents and other communications.

In the interest of facilitating our services to you, we may send data over the internet, temporarily store electronic data via computer software applications hosted remotely on the internet or utilize cloud-based storage. Your confidential electronic data may be transmitted or stored using these methods. In using these data communication and storage methods, our firm employs measures designed to maintain data security. We use reasonable efforts to keep such communication and electronic data secure in accordance with our obligations under applicable laws, regulations, and professional standards.

You recognize and accept that we have no control over the unauthorized interception or breach of any communications or electronic data once it has been transmitted or if it has been subject to unauthorized access while stored, notwithstanding all reasonable security measures employed by us. You consent to our use of these electronic devices and applications during this engagement.

We do not respond to any request from banks, mortgage brokers or others for verification of any information reported on these returns. We do not communicate with third parties or provide them with copies of tax returns. You may authorize the Firm to provide documentation to such third parties in writing specifically identifying documents requested.

Disclaimer of Legal and Investment Advice

Our services under this Agreement do not constitute legal or investment advice. We recommend that you retain legal counsel and investment advisors to provide such advice.

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 I.R.S Circular 230, §10.37, Requirements for Written Advice.

Tax Planning Services

Tax planning Services are not within the scope of this engagement. During the preparation of the tax returns identified above, we may bring to your attention potential tax savings strategies for you to consider as a possible means of reducing your taxes in subsequent tax years. However, we have no responsibility to do so, and will take no action with respect to such recommendations, as the responsibility for implementation remains with you, the taxpayer. If you ask us to provide tax planning serviced, and we agree to provide them to you, we will confirm this engagement in a separate agreement.

Jurisdiction

Notwithstanding anything contained herein, our firm and you agree that regardless of where you are domiciled and regardless of where this agreement is physically signed, this Agreement shall have been deemed to have been entered in to at the offices of De Novo Tax and Advisors LLC located Bucks County,

DE NOVO Tax & Advisors

99 Lantern Dr, Ste. 301, PO Box 2044
Doylestown, PA 18901
Office: (215)348-9511
Fax: (215)348-9490

Pennsylvania, USA. Bucks County, Pennsylvania, USA shall be the exclusive jurisdiction for resolving disputes related to this engagement agreement. This engagement shall be interpreted and governed in accordance with the Laws of Pennsylvania.

Dispute Resolution

If a dispute arises out of or relates to this Agreement, or the breach thereof and the dispute cannot be settled through negotiation, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under the *Dispute Resolution Rules for Professional Accounting Services Dispute Resolution Rules* before resorting to arbitration, litigation, or some other dispute resolution procedure. The costs of any mediation proceeding shall be shared equally by all parties.

Conclusion of the Agreement

We will return your original records to you at the conclusion of this engagement. You should securely store these records, along with all supporting documents, cancelled checks, etc. as these items may later be needed to prove accuracy and completeness of a return. We will also provide copies of the filed returns for your records. We will retain copies of your records and our work papers for your engagement for seven years, after which these documents will be destroyed. We take every precaution to ensure that your sensitive information is securely stored.

Our engagement to prepare your tax returns will conclude with the delivery of the completed returns to you (if paper filing) or your signing, and the subsequent submittal of your tax return (e-filing). If you choose to opt out of electronic filing, or are not allowed to electronically file, there is an additional charge of \$45 to our tax preparation fees. As in previous years, you will remain solely responsible for filing the paper returns with the appropriate tax authorities. Review all tax return documents carefully before signing them, as you are responsible for the content of the return.

We appreciate the opportunity to serve you. To affirm that this Agreement correctly summarizes your understanding of the arrangements for this work, please sign below:

Taxpayer Name: _____

Taxpayer Signature: _____ Date: _____

Spouse Name: _____

Spouse Signature: _____ Date: _____

De Novo Tax and Advisors, LLC



John R. Hickey III, EA