

GOLDEN, GORMLY & COMPANY, LTD.

CERTIFIED PUBLIC ACCOUNTANTS
& BUSINESS CONSULTANTS

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December 20, 2018

Dear Business Client:

This letter is to confirm the terms of our tax engagement with your business entity for the year-ended December 31, 2018 and to clarify the nature and extent of the professional services we will provide.

Our engagement will be designed to perform the following services:

1. Prepare the federal and state income tax returns with supporting schedules.
2. Prepare any bookkeeping entries that we find necessary in connection with preparation of the income tax return.

The tax laws provide for a penalty to be imposed when a taxpayer makes a substantial understatement of tax liability. Because an S corporation, partnership or LLC is an entity whose tax attributes flow through to its shareholders, partners or members; the penalty for substantial understatement of tax relating to these flow through entities can potentially be imposed on the principals. Accordingly, whether you are a C corporation or flow-through entity, we will discuss tax positions that may increase the risk of exposure to penalties with you before completing the preparation of the return.

Management is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. You also have final responsibility for the tax return and, therefore, you should review the return carefully before you sign the electronic filing authorization or an original paper filed tax return.

Our work in connection with the preparation of the tax return 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.

The return may be selected for review by the taxing authorities. 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 the entity. However, such additional services are not included in the fees for the preparation of the tax return.

Although we are available to provide you with tax planning advice, we are not obligated to do so unless you specifically request it. It is our policy to put all tax planning advice in writing.

Our fees for tax services will be based upon the amount of time required at our standard billing rates, plus out-of-pocket expenses. All invoices are due and payable upon presentation. After thirty (30) days all unpaid balances shall accrue interest at the rate of one and one-half percent (1 ½%) interest until paid. If for any reason the account is turned over to an attorney for collection, an additional charge of thirty three and one third percent (33 1/3%) will be added to cover collection costs.

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It is our policy to retain engagement documentation for a period of seven years, after which time we will commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement, we will make copies and the original documents will be returned to you promptly upon completion of the engagement.

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.

Certain communications involving tax advice between you and our firm may be 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 may be waiving this privilege. To protect your right to privileged communication between yourself and our firm, please consult with us or your attorney prior to disclosing any information about our tax advice.

If a financial statement is needed, a separate engagement letter will be sent to you.

For value received and to guarantee the obligations of the entity and in order to allow the business entity to obtain accounting services, I personally guaranty the full and prompt payment of Golden, Gormly & Company, Ltd. of all indebtedness, liabilities and obligations to Golden, Gormly & Company, Ltd. according to the terms set forth in the agreement.

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. We appreciate this opportunity to serve you. If you have any questions or need any additional information, please do not hesitate to contact us.

Sincerely,

Golden, Gormly & Co.

Golden, Gormly & Company, Ltd.

Accepted by: _____

Date: _____

Print Name: _____

Title: _____

Entity Name: _____