

**This engagement agreement is designed to communicate the details of the services offered, the limitations of service, work procedures, cost and timeline. This agreement contains time sensitive planning assumptions and cost-reducing measures where the effectiveness depends on your timely actions. If the timeline is modified, then the pricing and other details may also be affected. In order to proceed, I need your authorization in the form of an email reply to this delivery message that says "AGREED" or a copy of a signed physical agreement.**

October 16, 2016

Dear \_\_\_\_\_:

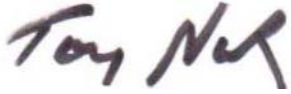
Thank you for choosing me to assist with your 2016 income tax planning. I will work on your behalf to maintain the confidence that you have placed in me. Four documents are attached to help us get started.

- 1) **PRIVACY POLICY** - A copy of my privacy policy is provided for your consideration. No action is required from you; this is a notification only.
- 2) **CONFIDENTIALITY PRIVILEGE ENGAGEMENT LETTER** - This allows us the option to assert that our communications are private privileged advice. I will assert confidentiality under the terms described unless you instruct me to do otherwise. This is optional but I suggest that you simply accept it now and reconsider the impact later in the rare circumstance that this privilege might be invoked.
- 3) **TAX SERVICES ENGAGEMENT** - This email communication describes the work that we anticipate, the fees and responsibilities related to that work. The purpose of this email is to enhance our verbal communications and confirm our mutual understanding of the work assignment. This is the heart of our agreement that includes expectation and fee details.
- 4) **SUMMARY OF SPECIAL CIRCUMSTANCES** - This describes how our work differs from a standard tax preparation service agreement. Should you have any questions or concerns regarding your account or my services, please contact me. You may wish to add to or modify this section; just let me know.

**Tony Novak**  
**Certified Public Accountant**  
2207 Concord Pike, #264, Wilmington DE 18903

(800) 609-0683  
Cell (856) 723-0294

Sincerely,

A handwritten signature in dark ink, appearing to read "Tony Novak". The letters are cursive and somewhat stylized, with the "N" and "V" being particularly prominent.

Tony Novak

## PRIVACY POLICY

CPAs, like all providers of financial services, are now required by law to inform their clients of their policies regarding privacy of client information. CPAs have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by law. Therefore, we have always protected your right to privacy.

**Types of Nonpublic Personal Information We Collect:** We collect nonpublic personal information about you that is either provided to us by you or obtained by us with your authorization.

**Parties to Whom We Disclose Information:** We do not disclose any nonpublic personal information obtained in the course of our practice except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees and, in limited situations, providing information to unrelated third parties who need to know that information to assist us in providing services to you. In all such situations, we stress the confidential nature of information being shared.

**Protecting the Confidentiality and Security of Current and Former Clients' Information:** We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

**Work with Third Party Entities:** We frequently share work with third party entities. If the work will be performed by an employee, partners or a contractor under my supervision then I will not discuss this with you in advance and the responsibility for maintaining privacy remains with me. If I propose working with other independent parties, we will discuss it first and confirm our understanding and agreement to do this in writing.

Please call if you have any questions, because your privacy, our professional ethics, and the ability to provide you with quality financial services are very important to us.

## CONFIDENTIALITY PRIVILEGE ENGAGEMENT LETTER

The Internal Revenue Code, as amended by the Internal Revenue Service Restructuring and Reform Act of 1998, extends a CPA–client confidentiality privilege to qualified tax advice that we provide to you. In order to ensure that all communications resulting from tax advice is covered under the privilege umbrella of the Act, I am asking you to confirm the following arrangements:

I will provide tax advice as needed or requested to meet specific objectives or generally to meet long-term tax related goals and objectives.

You have the right to review and/or be supplied with copies of any and all tax planning or research memos and work papers prepared by our firm related to such tax advice.

Tax advice includes, but is not limited to, the following:

- Researching the income tax reporting of a particular transaction. We will review these situations with you and resolve issues in your favor whenever possible.
- Providing business tax and consulting to you for consideration in making tax-related decisions.
- Providing services related to the expected outcome of future tax decisions.

Privileged tax advice does not include communications associated with the preparation of tax returns, tax accrual work papers associated with a financial audit or other financial statement engagement, or in providing general business or accounting recommendations or other non-tax engagements.

You may assert the confidentiality privilege in any noncriminal tax matter before the Internal Revenue Service or any proceeding in Federal Court brought by or against the United States.

I will not disclose any advice provided under the scope of this engagement letter to the Internal Revenue Service or third parties unless you provide us written consent to do so.

Any disclosure of confidential information by you or us to the IRS or third parties may cause the Confidentiality Privilege to be waived. Caution must be taken by both parties to not inadvertently waive the privilege. You should notify us of any requests by the Internal Revenue Service for information about any tax advice or tax advice documents provided by us to you.

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If you advise me to assert the Confidentiality Privilege on your behalf you agree to hold Tony Novak Certified Public Accountant harmless and indemnify us for any attorney fees and any other costs and expenses including penalties incurred by us in defending your confidential communication.

The offering of this Confidentiality Privilege is not meant to imply an opinion that any court or authority will recognize its validity. I always offer the Confidentiality Privilege without advance consideration of the likely jurisdiction.

## TAX PLANNING ENGAGEMENT

This communication is to confirm and specify the terms of my engagement with you for tax planning services the year 2016 to clarify the nature and extent of the services I will provide.

**WORK TO BE PERFORMED:** My tax service engagement will be designed to perform the following services:

1. Read your prior tax return and other documents that you may choose to provide.
2. Enter your basic personal and financial information into a tax planning simulation computer program.
3. Prepare a short written report of some options available including the advantages and disadvantages of each.
4. Prepare a written simulation that calculates federal income taxes under up to five "what if" scenarios.
5. Hold a scheduled telephone or video call with you to discuss the reports described above.
6. Provide a secure private online document portal to allow us to exchange information safely and to upload a copy my written reports to the portal. Note that this agreement does not provide for handling of paper documents which would increase the price and possible change the timeline.
7. Communicate with you directly in person, by telephone and email during the course of the engagement but not in excess of twelve total communications or one hour of total communication time, whichever is more.

**LIMITATIONS OF WORK:** My work in connection with the preparation of your income tax planning does not include any procedures or tax return not listed above. My work is not designed to discover defalcations or other irregularities, should any exist. I will use my judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions.

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Unless otherwise instructed by you, I will resolve such questions in your favor whenever possible.

**PENALTIES:** The law provides various penalties on the taxpayer and the tax return preparer that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or circumstances of these penalties, please contact me. You are responsible for the proper recording of transactions in some books or records of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign and file any tax return.

**END OF ENGAGEMENT:** This engagement ends when I complete the work listed above and return any original documents to you. I reasonably expect this work to be completed within three weeks of the start date. This agreement does not offer to extend services extend beyond the end of the engagement. For example, there is no assurance or agreement that I will provide the same services under the same agreement next year.

**EARLY END OF ENGAGEMENT:** Either of us may opt to end the engagement before the time described above in the "End of Engagement" section by giving written notice of early termination of the agreement and returning any original documents. The written notice must include the specific words "cancel tax engagement" in the heading or top of the communication. There may not be a reason stated for the early termination and we may recognize that a termination without stated reason is in our collective best interests. In the event of early termination, the total fee for the engagement will be reduced to half of the amount listed in the "Fee" section below. All work will stop at the point of notice and provisions included in the "Work to be Completed" section above will no longer apply. Both of us acknowledge that we accept that these simple provisions in this "Early End of Engagement" agreement are intended to be used as a means to avoid potential conflict in the event that circumstances change for either of us.

**IN THE EVENT OF AUDIT:** Your returns 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 such government tax examination, I will be available upon request to represent you

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and will render additional invoices for the time and expenses incurred. The procedures and fees for representing you in an audit are not included in this agreement.

**OTHER ADVICE:** During the work of accounting I am likely to find other financial and accounting topics that we should discuss. The results of these possible additional discussion and any resulting work stemming from those discussions are not covered in this letter.

**FEE:** My fee for these services will be \$300 plus out-of-pocket expenses, if any. The fee does not include the price of additional accounting procedures not included in this agreement that may become necessary to complete the work. If we discover that additional accounting procedures are required, these additional procedures will be covered under a separate engagement agreement.

**FEE FOR ADD-ON SERVICES:** If other services are later agreed in addition to the services listed above in the WORK TO BE COMPLETED section and no fee is negotiated as part of the agreement to offer these additional services, then the fee will be \$3 per minute of my time plus the actual cost of travel, copying, printing, etc. that may be incurred as part of the additional service. If there is additional accounting work or there are any additional tax returns you expect me to prepare, please inform me by noting so along with your response. The total fee for add-on services will not exceed 25% of the original total fee unless a separate written authorization is signed.

**PAYMENT:** All invoices are due and payable upon presentation in advance of the work.



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## SUMMARY OF SPECIAL CIRCUMSTANCES

This agreement is made with recognition of the following special circumstances that differ from a standard tax service agreement:

1)

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## SIGNATURES

If all of the foregoing fairly sets forth your understanding of our intended work together, PLEASE RESPOND TO THIS EMAIL BY TYPING THE WORD "AGREED" as your electronic signature and return it to me. If you use this procedure to agree by email, no other document signature is required.

If you are not using an email signature as described above, please sign and return this page.

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Signature and Date

Countersigned:



Tony Novak

Date: