

2019 BUSINESS INCOME TAX ENGAGEMENT LETTER

This letter confirms and specifies our understanding concerning the tax preparation services that Roberts Accounting CPAs, P.C. (“we” or “us”) will perform for you, the taxpaying entity (“you,” “your,” “the company”) for the year ending **December 31, 2019**. By signing this engagement letter and/or sending us the information for the preparation of your tax returns, you and all parties referenced in this letter are agreeing to the terms of our engagement. Please contact us if you have any questions or concerns that pertain to the terms and conditions listed below.

Tax Return Preparation Services

We will prepare your Federal income tax and resident state income tax returns, plus additional tax returns, if any, per prior written notice. If you would like to add related taxpayers or other states or localities to this return, please notify us prior to the filing of the tax return. If you choose to add taxpayers or jurisdictions, this will increase the amount of our fees and expenses described below.

We will advise you if we believe, based on the information that you provide us, that an income or franchise tax return should be filed in any other jurisdiction, but we will not prepare any such tax return without your approval. It is important that you inform us of any new or expanded activities that could trigger filing requirements in additional state(s), such as the acquisition of property or the hiring of employees in a new state. Activities of an S-Corporation, partnership, LLC, trust or other pass-through entity in which you are an owner or beneficiary may also trigger additional state tax filings, so please contact us if you have acquired an interest in a new pass-through entity over the past year.

If we determine that you are eligible for any tax credit, exclusion or deduction, we will either apply any such tax benefit in preparing your tax returns or we will advise of its availability and any related considerations to permit you to decide whether to take advantage of the tax benefit. There are numerous tax credits, exclusions and deductions for which a detailed review of business or investment activities would be required to determine their availability. Such a detailed review is beyond the scope of services of this arrangement letter. If you would like us to undertake a detailed review of your activities to identify tax credits, exclusions or deductions, please contact us to discuss the terms of an engagement for these services.

Because of their special purpose, nature and format, income tax returns do not constitute financial statements prepared in accordance with generally accepted accounting principles. The tax returns should be used only for income tax purposes and must not be used as a substitute for financial statements. Tax return preparation services do not constitute accounting or auditing services and are not designed to disclose defalcations or other irregularities, should any exist. Conversely, financial statement audits and reviews are not designed or intended to examine or address every potential income or franchise tax issue. In addition, certain potential adjustments that are deemed immaterial for financial statement reporting purposes may be required for tax reporting purposes. Please contact us if you would like us to review any specific financial statement items for compliance with applicable tax laws.

Under Internal Revenue Code standards for all paid tax return preparers, it may be necessary in some cases to attach an additional disclosure to a tax return for a practitioner to prepare and sign that return. The disclosure may in some cases reduce the taxpayer’s risk of penalties attributable to a substantial understatement. If we identify any positions on your returns that are affected by this standard, we will contact you to discuss the need for disclosure and any opportunity to avoid disclosure through additional research. Any need for return disclosure or additional research could increase the cost of preparing your returns.

Our fees for tax return preparation are based on the time required for work performed, the complexity of any technical issues addressed, the need to confirm information or to perform accounting work as a precondition to tax return preparation and the impact of receipt of necessary information less than 15 days prior to the due date of the returns. You must also pay other expenses (e.g., postage, shipping, travel) relating to the services at our normal rates.

Your Copy of Your Tax Returns

Federal law requires that we provide the taxpayer with a copy of any paper-filed Federal tax return for which we are the paid preparer. For electronically filed Federal returns for which we are the paid preparer, we are required to provide the taxpayer with the information contained on the return. We will provide you with a paper copy of the tax return as well as an electronic copy of the tax return should you request it. Such electronic information is sent to you in a *.pdf* or similar format.

Electronic Filing of Tax Returns

Federal and state tax laws mandate the electronic filing of certain tax returns and requests for extension. In some cases, the taxpayer may elect to file a tax return in paper format and in other cases, an election to opt out of electronic filing is not available. Occasionally, technical limitations prevent the electronic filing of a particular return.

We will use our best efforts to electronically file your tax returns. Prior to electronic filing, we will provide you with the information to be included on your return for your review and approval. Federal and state laws require that we obtain your written authorization prior to electronically filing a return, so it is critical that you sign and return the authorization form to permit electronic filing by the return's due date.

If we cannot electronically file any tax return, whether due to technical limitations or for any other reason, we will provide you with those returns for filing in paper format. If you would like to opt out of electronic filing and file your returns in paper format, you must contact us immediately so that we can determine whether such an opt out is legally permissible and provide you with any required documentation. If any return is provided to you in paper format for filing, it is critical that you sign, date and mail that return by its due date.

Your Responsibility to Provide Information

To prepare your tax returns, it will be necessary for you to provide us with the financial and other information that we request. We may provide you with an organizer, a questionnaire and/or another request for information for the preparation of your returns and it is necessary for you to respond to these requests completely and accurately. If you have any questions concerning a particular question or request, please contact us. You should also provide us with copies of information returns and other documentation relating to your taxable income (e.g., W-2s, 1099s, K-1s). For us to prepare state income or franchise tax returns, you must provide us information indicating the amount of income earned in each state, and the sales, property and employees in each state.

You must deliver all financial and other information necessary for preparation of your returns to us at least 15 days prior to the due date of the returns. Applicable laws and professional standards require us to apply certain review procedures in preparing a tax return and we need adequate time to perform these procedures. If for any reason you are unable to provide us with this information at least 15 days prior to the due date, it may be necessary to seek an extension of the time for filing (if available). Please note that in seeking any extension of time for filing any tax return, you will be required to pay the estimated amount of any taxes due by the original due date in order for the extension to be effective.

Foreign Account Reporting

U.S. citizens and residents and certain nonresidents (including individuals, corporations, partnerships, trusts and estates) who have a financial interest in or signature or other authority over any “financial accounts” in a foreign country are required to make a separate filing if the aggregate value of these accounts exceeded \$10,000 at any time during 2014. Filing requirements also apply to those with direct or indirect control over a foreign or domestic entity with foreign financial accounts, even if the taxpayer does not have foreign financial accounts of its own. Foreign “financial accounts” include a wide variety of items, such as:

Bank Accounts	Mutual Funds	Life Insurance
Credit Cards	Retirement Plans	Securities or brokerage accounts
Interests in partnerships, trusts or other pass-through entities having foreign accounts		

Because persons with a financial interest and persons with signature authority are required to submit filings, a single account can require multiple filings. For example, a corporate-owned foreign account would require filings by the corporation and by the individual corporate officers with signature authority. These filings must be made by June 30, and the time for filing is not extended by a tax return extension. There are severe civil and criminal penalties for non-compliance of these filing requirements. Even an inadvertent failure or incomplete filing can result in a \$10,000 civil penalty and the IRS has begun enforcing these penalties.

We are able to assist you in the preparation of these foreign account filings if you request. These services are beyond the scope of normal tax return preparation and will result in an additional fee. Fees for preparing these filings and any related advice will be based on the time required for work performed, the number of filings prepared, the complexity of any technical issues addressed and the impact of any impending deadline, plus out-of-pocket expenses. If you would like us to prepare these filings or if you have questions concerning your filing obligations, you should contact us as soon as possible and provide us with all requested information.

2014 Section 263 and Section 162 Tangible Property Regulations (New)

The IRS and U.S. Treasury have issued final tangible property regulations (TPRs) that govern when taxpayers must capitalize and when they can deduct expenditures for acquiring, producing or improving tangible property. These regulations are fully effective for tax years beginning on or after January 1, 2014. Under certain circumstances, however, these regulations may also be applied retroactively back to the start of 2012 and are required to be applied to items on taxpayer’s tax depreciation schedule or should be on the taxpayer’s depreciation schedule based upon the improvement criteria in the final TPRs. The final regulations have created new annual elections, and while certain safe harbors and elections are implemented through filing statements or treatment of an item on a timely filed federal tax return, the IRS considers the remaining provisions to be a change in accounting method which may require a taxpayer to file Form 3115, Application for Change in Accounting Method.

In order to make an election on a timely filed federal tax return and/or properly complete IRS Form 3115, additional time may be required by our firm to analyze your current and prior acquisitions and improvements. By your signature below, you agree to accept ultimate responsibility for your capitalization analyses and decisions, and agree to provide us with the information we deem necessary to prepare the appropriate elections and/or IRS method change form(s). If you have any questions regarding the application of these new regulations to your company, or your company’s specific qualifications for one of the safe harbors or new method changes, please ask us for advice in that regard.



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Certain Additional Services

In connection with your tax returns or in response to your request(s), we may provide you with Federal, state, local or international tax advice concerning matters that are not the subject of a separate arrangement letter. We may also (at your request) assist you in responding to inquiries from the IRS or from other tax authorities concerning the tax returns that we prepare on your behalf. These services are beyond the scope of tax return preparation. Our fees for tax advice or responding to inquiries will be based on the time required for work performed, the complexity of any technical issues addressed and the impact of any impending deadline, plus out-of-pocket expenses. Unless these additional services are the subject of a separate arrangement letter, our services in rendering that advice or responding to inquiries will be subject to the terms of this letter including the attached terms, conditions and limitations.

Conditions and Limitations

If this letter accurately describes the arrangement for our services to you, please sign the enclosed copy of this letter and return it to us at your earliest convenience. This letter is binding on all persons and entities whose returns are to be prepared pursuant to this letter and each signatory below represents that he or she has the legal power and authority to act on behalf of and to bind those persons and entities.

Thank you for your business!

Very truly yours,

A handwritten signature in blue ink, appearing to read "P. M. Roberts CPA", is written over a horizontal line.

Patrick M. Roberts, CPA
President

Roberts Accounting CPAs, P.C.