

CAROL A. REITHMILLER, CPA, PLLC

January 11, 2024

Dear Client:

This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. To ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

Engagement Objective and Scope

We will prepare the following federal and state tax returns for 2023:

Form 1040 and all required attachments necessary

States and Local tax returns listed: _____

Prepare 2024 Federal, States and Local tax safe harbor **estimates** for those jurisdictions listed:
_____ and _____

We will not prepare any tax returns except those identified above, without your written request, and our written consent to do so. We will prepare your tax returns based upon information and representations that you provide to us. We have not been engaged to and will not prepare financial statements. We will not audit or otherwise verify the data you submit to us, although we may ask you to clarify certain information. We will furnish you with an organizer to guide you in gathering the necessary information. Your use of such forms will assist in keeping pertinent information from being overlooked.

We will prepare the above-referenced tax returns solely for filing with the Internal Revenue Service (“IRS”) and state and local tax authorities as identified above. Our work is not intended to benefit or influence any third party, either to obtain credit or for any other purpose.

It is your responsibility to provide all the information required for the preparation of complete and accurate returns. You should retain all the documents, canceled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. **You have the final responsibility for the income tax returns and, therefore, you should carefully review them before you sign and file them.**

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. We will render such accounting and bookkeeping assistance as determined to be necessary for the preparation of the income tax returns. If we discover any errors or omissions on a prior year return, we will bring that to your attention.

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.

We will prepare your tax returns based upon your filing status (single, married filing jointly, married filing separately, head of household or qualifying widow[er] with dependent child) as reflected in your income tax returns for last year. If your filing status has changed, you wish to change your filing status, or you have questions about your filing status, please contact us immediately. We will use professional 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. Unless you instruct, we will resolve such questions in your favor whenever possible.

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 to communicate 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 the 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 revenue or anticipated profits, or disclosure of communication of confidential or proprietary information.

Confidentiality

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 individuals 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.

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. We will request your approval in writing before rendering these services. Additional charges will apply for such services.

Estimated tax payments.

You may want to make or may be required to make quarterly estimated tax payments. If **selected**, we will calculate these payments for the 2024 tax year based upon the information you provide to prepare your 2023 tax returns (the "safe harbor" rule). Updating recommended payments to reflect your actual current year's income more closely is not within the scope of this engagement. If you would like us to provide this service, we will confirm this update in a separate engagement letter.

Tax planning services

Tax planning services are not within the scope of this engagement. While preparing 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 services, we will confirm this representation in a separate engagement letter.

The filing deadline for the tax return is Monday, **April 15, 2024**. To meet this filing deadline, the information needed to complete the return should be received in this office no later than Monday, **March 18, 2024**, to have your return completed by the deadline.

If an extension of the time to file is required, any tax due with this return must be paid with the extension. Any amounts not paid by the filing deadline may be subject to interest and late payment penalties. The fee for preparing Form 4868, Application for Automatic Extension of Time to File, is \$197. The fee for North Carolina and South Carolina extensions are \$74 each; all other states/cities are \$86 each. The fee is due before the extension is prepared. This request must be made to us in writing. Contact us at 704-583-9090 and we will send you the extension request form or you may download it from our website at www.ladycpa.com.

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 a governmental tax examination, we will be available, upon request, to represent you and will render additional invoices for the time and expenses incurred.

Payment in full will be required at the time of tax return pickup. The fee for these and other services will be at the standard billing rates, available online at www.ladycpa.com, plus any out-of-pocket expenses. All balances are due and payable upon presentation of work. Returns will not be delivered without payment in full.

In the event the account becomes over 30 days past due, we will assess a 1.5% finance fee/assessed monthly on the balance due. All accounts that are over 90 days past due will be placed with collections and all collection fees will be added to the balance owing.

You may terminate this engagement at any time. Should you do so, however, you remain liable for all unpaid fees as discussed above. We reserve the right to withdraw from this engagement at any time because of unpaid fees, the guidance of our professional standards, or for any other reason. We will notify you in advance of any decision by us to withdraw and will take all reasonable steps to assist in the orderly transfer of your tax services. Otherwise, this engagement will be considered complete upon acceptance of your e-filed returns by the tax authorities. If your returns are not e-filed, you will have final responsibility for mailing your returns to the applicable taxing authorities.

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, those documents will be returned to you promptly upon completion of the engagement. The balance of our engagement file, other than a copy of your income tax return, which we will provide to you at the conclusion of the engagement, is our property, and we will provide copies of such documents at our discretion and if compensated for any time and costs associated with the effort.

If the foregoing is in accordance with your understanding, please sign this letter in the space indicated and return the complete letter to our office. However, if there are other tax returns you expect us to prepare, such as gift and/or property, please inform us by noting so just below your signature at the end of the returned copy of this letter.

We want to express our appreciation for this opportunity to work with you.

Sincerely,

Carol A. Reithmiller

Accepted By: _____ Date _____
(signature) if married, please have spouse sign below.

Print Name _____

Accepted By: _____ Date _____
(spouses' signature)

Print Name _____