

SCRIPPS FINANCIAL GROUP, LLC.

Engagement Letter for Professional Tax Preparation Services

By signing this statement, you, the client, acknowledge that you have engaged Laurie Kerridge, tax preparer, for the preparation of your Federal and/or State income tax returns. The statements below confirm the nature and extent of these tax preparation services:

CLIENT AGREES TO:

- Provide the information required for the preparation of complete and accurate tax returns.
- Be sure that information regarding all taxable (and, when applicable, non-taxable) income is provided, including any income from trading or bartering services.
- Keep all documents, canceled checks and other data that support reported income and deductions in secure storage. They may be necessary to prove accuracy and completeness of the returns to the taxing authorities.
- Maintain timely records and receipts to substantiate any business travel and gifts, meals and entertainment, and the business usage of automobiles and computers.
- Preserve canceled checks, credit card statements, and/or written receipts for all charitable contributions, including detailed descriptions of any non-cash donations and acknowledgment letters for any cash contributions over \$250.
- Notify the preparer of any payments made to household employees.
- Be responsible for completed income tax returns and carefully review them before signing.
- Pay any taxpayer penalties, additional taxes or interest assessed by the taxing authorities.
- Notify the preparer immediately if a tax return needs to be corrected or you receive *any* notices or other communication from the IRS, state, EDD or other government agency in reference to your tax return or business. Contact me first before paying any invoice or billed amount as they are frequently in error!
- Notify the preparer immediately upon receipt of any tax correspondence from the authorities after a tax return is filed.
- If I elect to terminate our services for nonpayment, or for any other reason provided for in this letter, our engagement will be deemed to have been completed upon written notification of termination, even if I have not completed your return. You will be obligated to compensate me for all time expended through the date of termination.

PREPARER AGREES TO:

- Use professional judgment in resolving questions where tax law is unclear or where there may be conflicts between taxing authorities' interpretations of the law and other supportable positions. Unless instructed otherwise, the preparer will apply the "substantial authority" standard to resolve such issues in the client's favor where possible.
- Prepare federal and all state income tax returns requested using information provided by the client. If I suspect something seems questionable, I will ask for clarification and verification for said items, but will not audit or otherwise verify all your data submitted; this is your responsibility.
- Withdraw from the engagement and decline to prepare the client's tax return if there is any suspicion of underreported income or questionable deductions that client refuses to correct or clarify.

- Present completed returns for filing and provide copies for the client's records, as well as return the client's original documentation, at the conclusion of our engagement and receipt of full payment for services rendered. The balance of the file is the property of Scripps Financial Group, LLC and copies will be provided of such documents at my discretion, upon written request and release of authorization. A cost for time and effort associated with such copies may apply.
- Be responsible for the portion of any penalties resulting directly from preparer error, but not for any interest or additional tax owed, so long as the client provides a copy of the tax agency correspondence within 60 days of the notice date.
- Retain electronic PDF copies of the completed return(s) for four (4) years, after which they will be properly and securely destroyed by a licensed document shredding company. A service fee of \$25 will apply to each additional *paper* copy of a tax return provided.
- Treat any information received from the client as confidential and subject to disclosure ONLY upon written request or as compelled by law.

BILLING POLICY

Fees for this engagement are not contingent on the results of your return or my services. A \$350 retainer deposit is required at the time of your appointment or with the delivery of your tax documents. **The remainder of the fee is due on completion and your return will not be filed until I have receipt of payment.** If the balance is still unpaid after thirty (30) days, a finance charge will be added, computed at the rate of 2.5% per month or partial month, on the unpaid balance, with a minimum monthly late fee of \$75. A \$60 service charge plus bank fees will be charged for all returned checks.

Hourly charges may apply (and vary depending on the type of service) when certain forms are unusually time intensive and complex to prepare. As well, if you have presented disorganized records, receipts and statements that have not been categorized or totaled for the year on a business return, I will charge an hourly bookkeeping fee and likely an extension will be filed. You will be notified in advance if this billing standard applies to your situation. I attempt to give very realistic estimates of total charges but can never truly predict all the forms and time required in advance of either completing the return or receiving your tax data. Therefore, you acknowledge that your final fee may vary from the estimate. I am committed to a fair application of this billing policy and will never arbitrarily increase a tax preparation fee.

You must be a regular email user. Email is my preferred mode of communication and client education (via email newsletters). As I prepare your tax return, you can expect to go through some rounds of questions via email. This is true whether you come in for an office appointment or send in your tax information.

Make sure you align with my approach. I believe in finding every valid tax deduction and avoiding anything against the rules. I try to prepare the most audit-proof tax returns possible, meaning that if you are audited, you should have little to fear.

AUDIT and/or OTHER REPRESENTATION

The fee for preparing your income tax return(s) does NOT include responding to tax agency notices, representations on your behalf, nor subsequent consultations. Audit representation and other consultation(s) for new service(s) are available on an hourly basis and billed as a separate engagement.

Your returns may be selected for review by one or more than one taxing authority. Any proposed adjustments by the examining agent are subject to certain rights of appeal but it is important you know that should any items be resolved against you for reasons such as inadequate or missing documentation or doubtful deductions, the resulting taxes, penalties and interest, are ultimately your responsibility.

In the event of such government tax examination, I will be available upon your written request to represent you during the examination and/or during any appeal.

YOUR PRIVACY IS IMPORTANT

I am committed to your privacy and retaining your trust. I respect your right to keep your personal information

confidential and to avoid unwanted solicitations. This communication is intended to comply with a federal law ('Gramm-Leach-Bliley Act of 1999') regarding your right to privacy. We want you to understand what information we collect and how we use it.

Types of information we collect

I collect nonpublic personal information about you that is provided by you, or obtained by me with your authorization, in connection with providing tax and financial services to you.

Parties to whom we disclose information

If you are a current or former client, I 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 assist us in providing services to you, such as obtaining year-end mortgage interest or property taxes paid from an impound account.

Confidentiality and security of nonpublic personal information

I retain records relating to professional services that I provide so that you are best assisted with your professional needs and, in some cases, to comply with professional guidelines. **In order to guard your nonpublic personal information, I maintain physical, electronic, and procedural safeguards that comply with professional standards.** If you have any questions regarding this policy please feel free to discuss it with me because your confidence in my ability to provide you with quality services and my professional ethics is very important to me.

Confidentiality and security of your client information

If in the course of preparing your tax returns, I need to review your electronic accounting records and data file on my computer system, and your client's personal and confidential information cannot feasibly be blocked, I affirm and adhere to the highest ethical standards of protecting their information as I would yours, under the guidelines of Oregon and California licensing boards for tax practitioners.

If you are a client of Scripps Financial Group, LLC., who is a fellow therapist or therapist intern, I pledge and adhere to the strictest confidentiality and records protections standards as coded in the ACA and the Oregon Board of Licensed Professional Counselors and Therapists. Your clients will be granted the same high standard of privacy and confidentiality by Laurie Kerridge. Any electronic data files will be destroyed and deleted from all computer systems, backup drives or other external storage devices, upon the completion of your tax returns.

All client tax, personal, public and nonpublic information, electronic or written, is protected by locked filing cabinets in a locked office or by double locked encrypted passwords.

Privacy and Married Filing Joint Tax Returns

Because the income tax returns I prepare in connection with this engagement are joint returns, and because you will each sign those returns, you are each our client. You each acknowledge that there is no expectation of privacy from the other concerning our services in connection with this engagement, and we are at liberty to share with either of you, without the prior consent of the other, any and all documents and other information concerning preparation of your returns. We will require, however, that any request for documents or other information be communicated to us in written form (email is acceptable). You also acknowledge that unless we are notified otherwise in advance and in writing, we may construe an instruction from either of you to be an instruction on your joint behalf. Absent a contrary written instruction in the future, from either or both of you, we will communicate with either or both of you at your most recent address provided.

CLOSING TERMS

In closing, this engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

You should keep a copy of this fully executed letter for your records. If this firm does not receive from you a fully executed (signed) copy of this letter but receives from you a completed organizer and/or the supporting

documentation, then such receipt by this office shall be deemed to evidence your acceptance of all of the terms set forth above.

Office Policy: In the interest of ensuring the highest level of communication between us, I require a distraction-free environment therefore ***no children will be allowed*** to accompany you on any consultation, tax preparation or pick-up appointment. This is strictly enforced as I am unwilling to compromise my ability to stay focused and provide all client's an error-free product and the most excellent service.

I sincerely appreciate this opportunity to serve you and look forward to a long and mutually satisfying, professional relationship.

Sincerely,

Laurie Kerridge

AFFIRMATION and ACCEPTANCE of TERMS:

I have read and hereby accept the foregoing terms and conditions of this agreement. If you are filing a joint return, *both* spouses or registered domestic partners must sign.

Printed Name of Signatory #1

Date

Client's Signature

Printed Name of Signatory #2 (Spouse or RDP)

Date

Client's Signature