

ENGAGEMENT LETTER



1040(et.al)*, 1065, 1120(et.al) - TAX PRPARATION

Subject: Consultation and Preparation of Your Individual/Corporate Income Tax Returns

Thank you for placing your confidence in CAF Enterprises USA Co. – TFC (CAFe) and allowing us to assist you with your tax affairs. This letter confirms the terms of our engagement with you and the nature and extent of Services we will provide.

TERMS: We will prepare your federal and/or any state tax return(s) you request using information that you provide to us. We may ask for clarification of some items for required due diligence checks and verifications, but we will not/do not audit the data you submit. Our tax professionals will do their best to provide a thorough range of general to specific interview questions, based on your tax situation, aimed at providing you complete and accurate tax returns and to ensure IRS, State and Bank required diligence in calculating proper deductions and credits (e.g. earned income tax credit, dependent exemptions, etc.) is met. **Per audit requirements, verification documents may be copied and retained in the tax file.** Such documentation may include but is not limited to copies of social security cards, an unexpired government-issued ID, household bills with the taxpayer’s name and address, etc.

Our tax preparation engagement will conclude with the delivery of the completed return(s) for you to review and authorize e-filing (as eligible). Upon receipt of your final return(s), please review all data before signing and submitting them to the taxing authority(ies). We will retain copies of records you supply to us along with the engagement letter for a minimum of three (3) years which is ‘industry standard’. After three years, CAF Enterprises USA Co. reserves the right to destroy hard-file copies per the company’s Safeguarding Policy. **You should keep your tax return copy, original documents, supporting backup documents and records in secure storage (hardcopy or digitally) for at least three (3) years after the return has been filed or its original due date.**

EXTENT OF SERVICES: This Agreement is fully and voluntarily entered into by the Parties. It represents, to the best ability of all involved, that full, open, and honest communication be utilized by all parties when providing information to questions related to the completion of the tax return(s). **It is your responsibility to provide complete and accurate information required for your tax preparation. Penalties of as much as \$100,000 can be imposed on you for failing to disclose participation in a “reportable transaction,” that is, a certain arrangement the IRS has identified as potentially abusive.** The law also imposes penalties when taxpayers fail to disclose reportable world-wide income and/or understate their tax liability. If you have concerns, please notify us.

We must use our 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. To avoid penalties, we will apply the “more likely than not” reliance standard to resolve such issues. You agree to honor our decisions regarding the need to make protective disclosures in your returns.

All tax returns are subject to review and/or audit by the taxing authorities. Any proposed adjustments are subject to appeal. In the event of a tax examination or audit, you may be required to furnish documentation to the tax authorities to support information on your return. **You agree to notify us within 15 days of any notices from the taxing agencies and provide a copy of any such correspondence before agreeing to any settlement.**

We can arrange to be available to assist you in preparation for an audit or represent you via a power of attorney. Any representation will be a separate engagement for which an engagement letter will be provided to you. CAF Enterprises USA Co. or its partner affiliate can also help you answer

For Office Use Only
() IF CHECKED, PROTECTION PLUS AUDIT SHIELD IS EXCLUDED/NOT APPLICABLE. REASON _____

correspondence from the taxing authorities. This may require a Limited Power of Attorney to permit a quicker, more direct resolution of the problem. If applicable, CAFe fees and expenses for defending the returns will be invoiced under the terms agreed upon for that engagement.

LIMITATION OF LIABILITY: Though our goal is to prepare an accurate tax return, in the event there is an inaccurate application of tax theory or otherwise, that results in additional taxes owed, **CAF Enterprises USA does not pay the taxpayer’s tax liability** (this would-be reportable income to the taxpayer) but participates in the Protection Plus program*. **The program is automatic for the tax season referenced above,** as applicable, and/or as approved – and will reimburse up to \$2,500 in taxes, penalties and interest if there is a identified Prepare tax preparation error or omission.

However, the company’s **maximum** liability will be 1) a refund of certain fees received for the preparation cost, 2) reimbursement of penalties and interest assessed due to the error or omission or 3) a combination of either. **Remedies 1 – 3 are at the company’s sole discretion and are not mandatory.**

LAWS: The rights and obligations of the Parties shall be governed by federal laws and laws of Virginia without giving effect to its provisions on conflict of laws.

FEES AND PAYMENT: The fee for consultation and income tax preparation is based on the complexity of the tax return, the complexity of forms and worksheets required/used and/or the amount of time required at the company’s current billing rates. Additional fees may be based on out-of-pocket costs and/or travel expenses related to obtaining and returning tax data as well as providing other tax preparation or entity incorporation related assistance and support. **All consultation fees, billable amounts, and invoices are due and payable upon notification or presentation. The company reserves the right to bill a “modified consultation fee” (MCF) for incomplete tax return(s) and services performed in the event the client abandons the services once began. The MCF shall consist of the current hourly rate for services and up to 30% of the billable tax preparation fee up until the client abandons the services. To the extent permitted by Virginia law, an interest charge may be added to all accounts not paid within five (5) days. Client agrees to pay any/all reasonable fees and costs associated with the collection of past due amounts. ****

OWNERSHIP OF WORK PAPERS: Material you provide to us remains your property and will be returned to you. Workpapers that we create/prepare remains the property of CAF Enterprises USA Co.

AFFIRMATION: To affirm that this letter correctly summarizes your understanding of the arrangements for this work, **please sign and date this agreement in the space indicated below and return it to our office.**

Sincerely,

CAF Enterprises USA Co. - TFC - *Corbett Ferguson*, Principal

Digital Signatures are accepted for remotely performed services. Simply type your name below and use a 5-digit PIN number to confirm your signature.

Taxpayer Signature Below: **Date:** **PIN (5 digits)**

Spouse Signature Below: (if applicable) **Date:** **PIN (5 digits)**

A Self-Selected 5-Digit PIN is for e-file confirmation and signature confirmation.⁵

* Tax office and third-party (Tax Protection Plus, LLC & affiliates) assistance with addressing and resolving any tax notice received from the IRS or State, or identity theft issues for CAFe prepared (Current Year Only) 1040 returns. Inclusive with tax preparation fee beginning with the 2023 tax season. (see details and exclusions)
** Full terms and conditions may be found at: www.cafenterprisesusa.com under CAFe Links. You may request a full copy before any service begins.

⁵ A blank PIN will default to a tax professional or software generated PIN#.

ProtectionPlus

\$1 MILLION

TAX AUDIT DEFENSE™

PROTECTION PLUS EXECUTIVE MEMBERSHIP

This document entitles any actively enrolled member of Protection Plus, for whom Protection Plus has received a membership fee, to the following benefits and services:

\$1,000,000 Tax Audit Defense™

Protection Plus will provide up to \$1,000,000 of services to resolve notices, inquiries, and/or audits associated with a member's return.

Experienced Professionals

Access to a team of Enrolled Agents and CPAs in the event of a tax notice.

Identity Theft Restoration

Comprehensive, personalized recovery services for identity theft incidents.

Interpretation & Guidance

Professional case assessment and personalized recommendation from credentialed specialists.

Tax Preparation Guarantee

Reimbursement for added expenses incurred due to legitimate preparer errors up to \$2,500. Subject to Terms & Conditions.

Benefits subject to the terms, conditions, limitations, and exclusions found in the Protection Plus Membership Agreement. This is not the Membership Agreement.



Tax Protection Plus, LLC
P.O. Box 24279 Winston-Salem, NC 27114
www.taxprotectionplus.com | 866-942-8348
CASES@taxprotectionplus.com

Client: _____

2024 TAX SEASON



IRS §7216 Consent Form

Federal law requires this consent form be provided to you. Unless authorized by law, we cannot disclose, without your consent, your tax return information to third parties for purposes other than the preparation and filing of your tax return. If you consent to the disclosure of your tax return information, Federal law may not protect your tax return information from further use or distribution.

You are not required to complete this form. If we obtain your signature on this form by conditioning our services on your consent, your consent will not be valid. If you agree to the disclosure of your tax return information, your consent is valid for the amount of time that you specify. If you do not specify the duration of your consent, your consent is valid for one year.

Company Policy: Certain personal information about you is collected but only when it is provided by you or is obtained with your permission. As a general rule, nonpublic personal information about current or former clients is not disclosed to anyone. To the extent permitted by law, however, certain nonpublic information about you may be disclosed to comply with a validly issued and enforceable subpoena or summons, to allow for the conversion of tax data by tax software provides, or to allow for appropriate cross-service(s) selected or deemed “value added” to be rendered to you. Except as otherwise described in this notice, access to nonpublic information about you is restricted to associates of the company and other parties who must use that information to provide services to you.

If you believe your tax return information has been disclosed or used improperly in a manner unauthorized by law or without your permission, you may contact the Treasury Inspector General for Tax Administration (TIGTA) by telephone at 1-800-366-4484, or by email at complaints@tigta.treas.gov.

I, authorize CAF Enterprises USA Co. to disclose tax return information **in order to offer me:**

YEAR: _____

- Financial planning (including Insurances and Mutual Fund products)**
- Bank products & 3rd Party Value Added Products (Electronic Refund checks, Pre-paid Bank Card, Stand-alone Audit Assurance & ID Theft Program)*** required to be checked for all bank and 3rd Party products needing information sharing and security.

Time Specified: **One (1) Year** (default) **Other** (specify period) _____

Taxpayer signature → date → PIN _____

Spouse signature → date → PIN _____

Digital Signatures are accepted for non-in-office tax preparation. Please type your name were identified and use a 5-digit PIN number as your signature confirmation.