

Thank you for selecting Higgins & Smith, LLC 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.

We will prepare your 2021 federal and all applicable state income tax returns using information you provide to us. We may ask for clarification of some items, but we will not audit or otherwise verify the data you submit.

It is your responsibility to provide information required for preparation of complete and accurate returns. You should keep all documents, canceled checks and other data that support your reported income and deductions. This may be necessary to prove accuracy and completeness of the returns to a taxing authority. You are responsible for the returns, so you should review them carefully before you sign or E-file them.

Our work will not include any procedures to discover defalcations or other irregularities. The only accounting or analysis work we will do is that which is necessary for preparation of your income tax returns.

We will 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. Unless you instruct us otherwise, we will apply the "realistic possibility of success" standard to resolve such issues in your favor where possible.

The law imposes penalties when taxpayers understate their tax liability. If you have concerns about such penalties please call us.

Your returns may be selected for audit by a taxing authority. Any proposed adjustments are subject to appeal. In the event of a tax examination, we can arrange to be available to represent you. Such representation will be a separate engagement for which an engagement letter will be provided to you. Fees and expenses for defending the returns will be invoiced in accordance with terms we agree on for that engagement.

Our fee for preparation of your tax returns will primarily be based on the amount of time required at standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation. To the extent permitted by state law, an interest charge may be added to all accounts not paid within thirty (30) days.

We will retain copies of records you supplied to us along with our work papers for your engagement for a period of seven years. After seven years, our work papers and engagement files will be destroyed. All of your original records will be returned to you at the end of this engagement. You should keep the original records in secure storage.

The firm uses a third-party technology service provider to organize electronic data. We may share confidential information with this service provider, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect confidentiality and of your personal information.

To indicate that this letter correctly summarizes your understanding of the arrangements for this work, please sign this letter in the space indicated and return it to us.

We appreciate your confidence in us. Please let us know if you have questions.

Sincerely,

Higgins & Smith, LLC

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Returns to be prepared:

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