

**Livingston Tax, LLC**  
**Income Tax Engagement Agreement**  
**Tax Year: 2021**

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Dear Client:

Thank you for choosing Livingston Tax, LLC for your income tax needs. This letter confirms the terms of our engagement with you and outlines the nature and extent of the services Livingston Tax LLC will provide. **By supplying the information to complete your tax returns, you are accepting the terms outlined in this engagement agreement.**

Livingston Tax LLC is required by law to file most income tax returns electronically. If your return cannot be filed electronically, or you request a waiver from the electronic filing requirement, Livingston Tax LLC will require your approval and signature on a waiver document. If this occurs, Livingston Tax LLC will provide you with the filing addresses for your returns.

Livingston Tax LLC will prepare your 2021 federal income tax return and income tax returns for your resident state (collectively, the “returns”). This engagement pertains only to the 2021 tax year, and our responsibilities do not include the preparation of any other tax returns due to any tax authority. Our engagement will be complete upon the delivery of the completed return to you. After that, you will be solely responsible for filing the return with the appropriate taxing authorities or delivering the signed e-file authorization to Livingston Tax LLC.

Your returns may be selected for review by one or more than one taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such a government tax examination or inquiry, you may contact Livingston Tax LLC and you will be referred to Protection Plus, Professional Audit and Fraud Assistance. The fee you pay to Livingston Tax LLC includes three years of audit protection and up to \$1,000,000 of services with Protection Plus as well as one year of Identity Theft protection. All services will be provided by Protection Plus and they will work with you to provide resolution to any of your issues concerning returns prepared by Livingston Tax LLC.

Your returns will be prepared based on information and figures you provide. You agree that you will provide all requested documents and answer all questions truthfully and fully so that Livingston Tax LLC may accurately prepare your returns. Preparation of your tax returns does not imply any verification or other assurances related to the information you provide, and Livingston Tax LLC will not perform any auditing functions related to this engagement. Accordingly, our engagement cannot be relied upon to disclose errors, fraud or other illegal acts that may exist. Your signature(s) indicate that you acknowledge that it is your responsibility to provide Livingston Tax LLC with accurate and timely information and you have provided us with such. Your signature(s) also indicates that you acknowledge that while the managing member of Livingston Tax LLC is a licensed, practising attorney

in the state of Michigan, the managing member is not acting in the capacity of an attorney for the purposes of tax preparation and therefore conversations and information shared with the managing member are not deemed confidential nor subject to attorney/client privilege. No accounting or bookkeeping services will be provided.

You are responsible for reporting foreign activities. By signing this Agreement, you acknowledge that you will inform Livingston Tax LLC if you have income from foreign sources, signatory authority over any foreign account, or interest in a foreign asset. The IRS definition of “foreign” is expansive and designed to capture almost all foreign accounts, interests and assets. If you are unsure whether income or an account asset or interest is foreign, please contact us. Note that the penalties for failure to report foreign activities are severe.

The timeliness of your cooperation is essential to our ability to complete this Engagement. Specifically, we must receive the information to prepare your returns within a reasonable period before the applicable filing deadline. Accordingly, if we do not receive information from you, as noted above, by **March 31, 2022**, it may be necessary for us to pursue an extension of the due date of your returns. It is your responsibility to request an extension from our office.

You are responsible for maintaining an adequate and efficient accounting system, for safeguarding assets, authorizing transactions, and for retaining supporting documentation for those transactions, all of which, among other things, help assure the preparation of proper returns. Furthermore, you are responsible for evaluating the adequacy and results of the services Livingston Tax LLC provides.

The law provides various penalties and interest that may be assessed when taxpayers underestimate their tax liability. You acknowledge that any such understated tax, and any assessed interest and penalties, are your responsibility and that we have no responsibility in that regard.

We may encounter instances where the tax law is unclear or where there may be conflicts between the tax authorities’ interpretation of the law and other supportable positions. In those instances, we will outline each of the appropriate courses of action for you, including the risks and consequences of each alternative. In the end, we will adopt, on your behalf, the alternative which you select after having considered the information provided. If we do not believe there is a reasonable basis for the position, either the position cannot be taken, or we cannot sign the return. To make these determinations, we must rely on the accuracy and completeness of the relevant information you provide us. In the event you or we are assessed penalties due to our reliance on inaccurate, incomplete, or misleading information you supplied to us (with or without your knowledge or intent), you will indemnify us, defend us and hold us harmless as to those penalties.

No tax planning services will be provided. Although we may orally discuss certain tax planning issues with you from time to time, such discussions will not constitute advice upon which we intend for you

to rely for any purpose. Instead, any advice upon which we intend for you to rely, and upon which you will rely, will be embodied in a written report or correspondence from us to you.

Our fees for this engagement are not contingent on the results of our services. Instead, our fees for this engagement will be based on our standard rates. Also, you agree to reimburse us for any of our out of pocket costs incurred in connection with the performance of our services.

Our fees and costs will be billed upon completion of engagement or when the engagement is terminated, whichever event occurs first. All invoices are payable upon receipt. Invoices unpaid will result in unfiled tax returns and will be subject to a 5% per month service fee. We reserve the right to suspend our services or to withdraw from this engagement if any of our invoices are deemed delinquent. If any collection action is required to collect unpaid balances due us, you agree to reimburse us for our collection costs, including attorney fees.

Our fees may be affected by other factors deemed relevant, including the difficulty of the questions and the skill required to perform the tax services correctly; time limitations imposed either by you or the circumstances, and the nature and length of the professional relationship between us.

If we elect to terminate our services for nonpayment or any other reason provided in this Agreement, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed the return. You will be obligated to compensate us for all time expended and to reimburse us for all of our out of pocket costs through the date of termination. All fees must be paid before documents will be returned.

You should retain all documents, canceled checks, and other data that form the basis of income and deductions. These may be necessary to provide 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 review them carefully before you sign them and send us your e file authorization.

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 or shared 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 intended recipient. Therefore, we expressly 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 or communication of confidential or proprietary information.

Our policy is to retain engagement documentation for 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 are to be retrieved by you upon completion of the engagement. We will not bear the expense of returning to you any original records, it is your sole responsibility to arrange for those records to be picked up from our office. The balance of the engagement file, other than a copy of your income tax return, which we will provide to you after the engagement, is our property. We will provide copies of such documents at our discretion and if compensated for any time costs associated with the efforts.

If the income tax returns we are to prepare in connection with this engagement are joint returns, you are each our client because you will each sign those returns. You each acknowledge that there is no expectation of privacy for the other concerning our services in connection with this engagement, and we are at liberty to share with either of you, with the prior consent of the other, any documents and additional information concerning the preparation of your returns. However, we will require that any request for documents or other information be communicated to us in written form. 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 contrary written instructions in the future from either or both of you, we will communicate with either or both of you at the mailing address stated in the tax return.

If any dispute, controversy, or claim arises among the parties hereto related to any services provided by us to you, the parties agree first to try, in good faith, to settle the dispute by mediation administered by the American Arbitration Administration (AAA) under its Rules for Professional Accounting and Related Services Disputes. Each party will be responsible for its expenses. The fees and expenses of the mediator, if any, will be borne equally by the parties.

By entering into this agreement, you agree to the maximum extent permitted by law, that you may recover only actual out of pocket damages from us, that we are not liable for consequential damages, and that our maximum liability to you for all claims, damages, and costs arising from this engagement is limited to the total amount of fees paid by you for services rendered by us under this agreement. By entering into this agreement, the parties agree to waive, to the maximum extent permitted by law, any right each may have to an award of punitive damages from the other. In the event of a claim by a third party relating to services under this Agreement, you will indemnify us from all such claims, liabilities, costs and expenses, except to the extent determined to have resulted from our intentional or deliberate misconduct.

You agree to release Livingston Tax LLC and its personnel from any liability and costs relating to our services under this letter resulting from knowing misrepresentations made to us. In addition, you further agree to indemnify and hold us harmless for any liability to third parties and all reasonable costs, including legal fees, that we may incur as a result of the services performed under this engagement in the event there are knowing misrepresentations made to us.

As a result of our prior or future services to you, we might be requested to provide information or documents to you or a third party, or our personnel as witnesses or for depositions, in a legal, administrative, arbitration, or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to you as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request.

This engagement 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 outlined in this letter will only become effective if evidenced by a written amendment to this letter signed by all parties.

If you agree to authorize us to prepare your income tax returns according to the terms set forth above, please execute this letter on the line(s) below designated for your signature, and return the executed Agreement to this office along with the supporting documentation requested therein. You should keep a copy of this fully executed letter for your records. If this office receives from you no response to this Agreement, then this office will not proceed to provide you with any professional services and will not prepare your income tax returns.

Very truly yours,

*Donna M. Schnell-Lee*, Managing Member  
**LIVINGSTON TAX LLC**

Please sign on line, put date on second line and print name under signature.

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Date

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Date