ENGAGEMENT LETTER FOR 2026 (AND UNTIL SUPERCEDED) INCOME TAX RETURNS
(Professional Standards Require This Letter Be Signed Before We Commence Work)

General

Thank you for choosing the RAS Group, LLC as your tax professionals. To ensure a more complete understanding between us, we would like to describe the limitation on services we will be providing and to outline the responsibilities we each assume in preparing your tax returns. This Engagement Letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us. The Internal Revenue Service imposes penalties on taxpayers, and on us as return preparers, for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following arrangements included in this letter by signing and dating below.

Our fees for tax preparation and related accounting and bookkeeping services will be based upon our firm's applicable billing rates of the individuals providing the services, plus any out-of-pocket costs. To the extent we render any accounting and/or bookkeeping assistance, including (but not limited to) telephone calls, letters, emails and 3rd party consultations it will be limited to those tasks we deem necessary for preparation of the returns and will be billed at our standard billing rate of **$180** per hour, billed in quarter-hour (15 minutes) increments. Our invoices are due at the time you pick up your returns or otherwise receive your tax returns. We will give you an estimate of the costs, before starting work if you ask in advance. There is a 30-day grace period for payment before a finance charge is assessed on any outstanding balance. Should any outstanding balance for our services exceed 31 days, you will be notified in writing of the balance due for the specific work performed, and we will perform no further services until we are paid in full. A total of three letters will be sent before we begin collection procedures after 120 days. You agree to reimburse us for all administrative, collection service, attorney, and other related filing fees and costs associated with the collection of our fees.

To file timely and accurate returns, <u>we must receive all required information 24 business days, at the latest, before the deadline</u>. We assume no responsibility for any penalties or filing costs if we do not receive all your materials 24 business days before the filing deadline or if you have not paid all required estimates during the year. **If electronically filing your returns, we will need your signed and dated Form 8879 by noon Pacific Standard Time 2 business days before the due date. Per IRS Regulations, <u>your tax return will not be e-filed until the signed Form 8879 is received.</u>**

Our Responsibilities

We will prepare your federal tax returns and any requested state and local income tax returns from information which you will furnish to us. We are under no obligation to determine all states or jurisdictions where you might have a filing obligation. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. By providing us with information to prepare returns you represent you have the authority to act on behalf, (represent) all parties having an interest in the returns. We assume no responsibility for the accuracy of the information you provide. Because we do not Audit, Review, Compile or verify the information you give to us, you represent that it is accurate and complete to the best of your knowledge. We may, however, need to ask for clarification of some of the data or additional information that may not have been provided originally. We will render such accounting and bookkeeping assistance as determined to be necessary for preparation of the income tax returns. We are **<u>not</u>** responsible for tax returns prepared by other tax preparers. We are **<u>not</u>** doing any estate or other financial planning as part of this engagement. This engagement does not include any investment advice or recommendations. While we are, of course, available to provide you with tax and business planning services, it is our policy to put all advice upon which a client might rely into a written memorandum prior to you relying on such advice. We believe this is necessary to avoid confusion and to make clear the specific nature of our advice. You should not rely on any advice that has not been put into writing for you. Any tax planning suggestions do not include specific product or service recommendations.

Our Responsibilities (continued)

Along with the preparation of your tax returns, we extend the courtesy of completing the e-filing for most of your returns on your behalf (note: this does not include paper filing). If you choose to have us e-file the returns we are able to on your behalf, **we must receive the signed Form 8879 (e-File Authorization) from you before the filing deadline**. Failure to file in a timely manner will result in significant penalties and interest, and **we assume no responsibility or liability in the event that you are unable to return the authorization form to us by the filing deadline**. Alternatively, if you do not want us to e-file your tax returns, we provide a hard copy of your tax return forms to use for your preferred method of filing.

Our work in connection with the preparation of your income tax return does not include any procedures designed to discover defalcations or other irregularities, should any exist. If we discover information that affects your prior-year tax returns, we will make you aware of the facts. However, we cannot be responsible for identifying all items that may affect prior-year returns especially if not prepared by us. If you become aware of such information during the year, please contact us to discuss the best resolution of the issue. We will use our judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authority's interpretations of the law and what seem to be other supportable positions. Unless otherwise instructed by you, we will resolve all such questions in your favor whenever possible. We also assume that all shareholders/partners agree to all elections and interpretations. In the event one shareholder/partner does not agree, we need to be notified in writing immediately, so we can determine if we can complete your tax returns. There are occasions when we are asked to mail materials to the IRS and any state and local tax authorities on your behalf. Since mail delivery is not within our control we assume no responsibilities (other than mailing on due dates) that the various taxing agencies will credit items with the proper date or period.

The public accounting profession is subject to the rules of IRS Circular 230, therefore our confidentiality policy prevents us from sharing your personal or financial information with other parties without your written consent to do so. Any electronic records with your personal or financial information will be protected and viewed by our appropriate staff only. We do not keep copies of your tax returns and information beyond the statute of limitations period. Generally that means we will destroy all materials after four years. Make certain you retain the copies we provide you for future reference. We do not keep originals of any of your documents. We make copies of your selected records to meet professional standards, returning all original documents to you. Should you request copies of your information in our files, there is a fee of $125 per year requested.

Occasionally, lenders may request that we sign, for you, some form of verification of income, employment or tax filing status. Because we were engaged only to prepare your income tax return, without examination, review, audit or verification our insurance carriers as well as the state board of accountancy prohibit us from signing any such document and we suggest that you have them send IRS Form 4506 to the IRS to obtain such verification.

We will file tax extensions only for clients who have signed this agreement letter. We must receive your information at least 24 business days prior to April 15th in order to complete your return in a timely manner. Information received after that date will cause your return to be extended and complete after the April 15th due date. Any extension payment will be an estimate. You will be responsible for all penalties, including interest on any additional taxes that may be owing.

Your Responsibilities

If you have derived income from a foreign country, we will use the foreign country income information which you provide to calculate any applicable federal or state foreign tax credit or other affected federal or state income tax items. However, you are responsible for meeting any foreign country income tax or other foreign country reporting requirements. Please note that any person or entity subject to the jurisdiction of the United States (includes individuals, corporations, partnerships, trusts, and estates) having a financial interest in, or signature or other authority over bank accounts, securities, or other financial accounts having a value exceeding $10,000 in a foreign country, shall report such a relationship. If you and/or your entity have a financial interest in any foreign accounts, you are responsible for providing our firm with all the information necessary to prepare Form FinCEN 114 required by the U.S. Department of the Treasury on or before April 15th of each tax year. Without your notification of such foreign investments we will assume that you do not have any amounts invested over $10,000 outside the United States. Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties to you. In addition, the IRS, under the Internal Revenue Code §6038 and §6046, currently requires information reporting if you are an officer, director or shareholder with respect to certain foreign corporations (Form 5471); foreign-owned U.S. corporation or foreign corporation engaged in a U.S. trade or business (Form 5472); U.S. transferor of property to a foreign corporation (Form 926)); and, for taxable years beginning after March 18, 2010, if you hold any foreign financial assets with an aggregate value exceeding $50,000 (Form 8938).

It is important for you to know that the law imposes a penalty if a taxpayer makes a substantial understatement of tax liability. A substantial understatement occurs because of 1) negligence or disregard of rules or regulations; 2) substantial understatement of income tax; and 3) substantial valuation misstatement. The penalty is 20% or more of the tax underpayment. Failure to report income which has been reported to you on a Form W-2, Form 1099, or Schedule K-1 is prima facie negligence.

Please be aware that your returns are subject to examination by the taxing authorities. In the event of an audit, you may be requested to produce documents, records, or other evidence to substantiate the items of income and deductions shown on the tax returns. Therefore, you should retain all the documents, cancelled checks and other data that form the basis of income and deductions for at least six years.

Your Responsibilities (continued)

These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. If an examination or inquiry occurs, we will represent you if you so desire; however, these additional services are not included in our fee for preparation of your returns and will require an additional Engagement Letter. You should also know that IRS audit procedures will almost always include questions on bartering transactions and on deductions which require strict documentation such as travel, entertainment, and business use of autos and computers. In preparing your returns, we rely on your representations, including that we have been informed of all bartering transactions, and that you understand and have complied with the documentation requirements for your expenses and deductions.

In recognition of the relative risks and benefits of this agreement to both you and the firm, you and the firm have agreed on the fair allocation of risk between the parties. As such, you agree, to the fullest extent permitted by law, to limit the liability of the firm to you for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the firm to you shall not exceed the firm's total fee for services rendered under this agreement.

You and the firm intend and agree that this limitation apply to any and all liability or cause of action against the firm, however alleged or rising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring a claim against us for errors and omissions. The one-year period will begin upon the date of the tax professional's signature on the tax returns covered by this engagement letter. If you decide to share your tax returns with a third party be aware that we assume no liability to any third party for the accuracy or completeness of your returns for their use.

Important Information

- **You agree that you will report all income, including barter, cryptocurrency, consumer-to-consumer activity, cash-based revenues, and all other income whether received in-person, in-kind, or electronically.**
- **If you cannot provide a complete collection of documentation at time of submission, you agree to notify RAS Group, LLC immediately that more documentation will be submitted and will submit said documents as promptly as possible.**
- **You agree that, regardless of original submission date, the completion of your taxes will ultimately be impacted by your ability to provide all necessary documentation and communications in a timely manner.**
- **Failure to notify RAS Group, LLC of missing information can lead to an erroneous completion of your tax return – by signing below, you agree to pay any additional fee inquired to adjust your return if needed.**
- **You understand and agree that RAS Group, LLC is not liable for any penalties or interest accrued on balances due.**
- **You understand and agree that your tax return will not be e-filed until we receive the signed Form 8879 (e-File Authorization). Failure to return this form to us by the deadline will result in significant penalties that RAS Group, LLC is not liable or responsible for.**

The foregoing is in accordance with my understanding of our mutual responsibilities in your engagement to provide tax services. The terms described in this letter are acceptable and are hereby agreed to.

This agreement will remain in effect until cancelled by either party.

AGREED TO AND ACCEPTED:

BY (Signature): ______________________________ DATE: ____________

NAME (Printed): ______________________________