



Engagement Letter for Tax Preparation

Dear _____,

Thank you for your interest in retaining Online Taxman LLC, a Wyoming limited liability company, ("OTM", the "Company") for your tax needs. The following services are included in this engagement (the "Agreement"):

Included Services
Personal Tax Filing
Business Tax Filing

Our fixed fee for services will be:

Personal Filing _____

Business Filing _____

Additionally, the following supplementary services will be provided when applicable:

- Ongoing tax consultation throughout the year,
- Limited power of attorney services in case of accountant error for tax documents prepared by Online Taxman,
- IRS correspondence analysis and support for tax documents prepared by Online Taxman,
- 3 year review of prior returns.

Please note that work will only start once the engagement letter has been signed and the deposit has been paid, unless noted otherwise. An additional fee may apply if documents are submitted gradually over weeks or months after indicating that all documents were submitted.

If there is a remaining deposit amount upon resolution of this engagement, it will be returned to the client or applied towards further services.

DEFINITIONS

"Ongoing tax consultation throughout the year" refers to answering queries related to the current tax situation via email without additional cost to the client. These queries are limited to information that does not require additional research by the Online Taxman team. It does not include creating a tax plan, strategy, or analyzing tax law, treaties, or other documents. Those are beyond the scope and may require additional engagement or payment. If the Online Taxman team deems that the requested consultation warrants an additional engagement or payment, the client will be notified immediately prior to its incurrence.

"Limited Power of Attorney (LPOA) services" include calling the IRS on behalf of the client for cases of accountant error. In the case of client or IRS error, there will be an additional charge. This charge will start at \$500, but it may be more, depending on complexity. An LPOA needs to be in place any time we call the IRS.

"IRS correspondence analysis & support" refers to the review and analysis of all IRS correspondence received by the client for engagements executed by Online Taxman. This may include providing the client with an opinion, suggested course of action, or response letter. This may, but does not necessarily, include calling the IRS on behalf of the client (see Limited Power of Attorney Services). This does not include full audit support.

SCOPE OF ENGAGEMENT

Online Taxman provides tax preparation and related services (the "Services") as detailed above. Additional services may be retained and will require an updated estimate and engagement letter.

If OTM discovers information that affects your tax filings or other requested services, it will make you aware of those facts. However, OTM is not responsible for identifying items or auditing information provided by you, or amending prior returns unless specifically engaged to do so. Representation in the event of a tax audit by the IRS or any relevant state or foreign government's taxing or other authority is outside the scope of this engagement. If OTM is available, you will be provided with a new estimate and engagement letter, but OTM is under no obligation to provide audit representation.

OUT-OF-SCOPE SERVICES

Any services outside the scope of services set forth in this engagement letter will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service. In the event an engagement letter for the out-of-scope services is not issued, each such out-of-scope service shall be a separate and new engagement performed pursuant to these Standard Terms and Conditions.

NO THIRD-PARTY BENEFICIARY

The engagement is being undertaken solely for the Company's and the Client's benefit and the parties do not intend to provide contractual rights or obligations to any other person. To the maximum extent provided for under the law, all claims, obligations, liabilities, or causes of action (whether in contract, common or statutory law, equity or otherwise) that arise out of or relate to this Agreement, or the negotiation, execution, or performance of this Agreement, may be made only against the parties that are signatories to this Agreement. No person who is not a contracting party, including any authorized representative such as an officer, employee, subcontractor, member, partner, shareholder, or manager signing this Agreement shall, to the maximum extent permitted by law, have any liability to the counterparty to this Agreement for any claims, obligations, or other causes of action arising out of, or relating in any manner to, this Agreement.

TERMINATION OF ENGAGEMENT

This engagement ends upon the earlier of (i) delivery of the final work product as listed in Included Services, or (ii) where applicable, filing of the final work product as listed in Included Services.

In the event no final work product is delivered or filed, the engagement shall end on the later of (i) if services are for a specific calendar/tax year, the last date of the tax year for which the services were provided, (ii) the last date on which the services were provided, or (iii) date on which the last invoice for the services was issued, not including any subsequent account payable reminder, revised bill, or other communications concerning completed services.

Client has the right to terminate Online Taxman's services at any time, and Online Taxman has the right to resign at any time, subject in either case to payment for all charges incurred to the date of termination or resignation. In the event client or Online Taxman

exercise the right to terminate Online Taxman's services, such termination shall be in writing and shall be effective upon delivery by mail, overnight mail or email transmission.

LIMITATIONS OF LIABILITY AND INDEMNIFICATION

Limitation of Liability. To the maximum extent provided for under the law, the Company's maximum liability for damages relating to the services provided pursuant to this engagement letter shall be limited to the fees paid for the service or work product giving rise to liability, provided that such limitation shall not apply where damages are determined to have been caused by the Company's gross negligence or willful misconduct.

Special Damages. To the maximum extent provided for under the law, in no event shall the Company or its personnel be liable to the Client or the Firm for any consequential, incidental, indirect, punitive or special damages in connection with claims arising out of or related to this engagement letter or the services described herein, including any amount for loss of profit, data or goodwill, whether or not the likelihood of such loss or damage was contemplated.

Indemnification. The services, work product, deliverables, advice and/or recommendations provided under this engagement letter are for the use and benefit of Client only. Client shall indemnify and hold harmless the Company for any time expended, expenses (including reasonable legal fees and costs), costs and/or losses incurred in connection with any lawsuit or other legal or regulatory action or proceeding brought by a third party (including Client's affiliates, members and/or partners) involving or relating to the services under this letter, whether or not such costs and/or losses are due to the negligence of the Company provided that such indemnification shall not apply where such expenses or losses are determined to have been caused by the Company's gross negligence or willful misconduct.

CLIENT AND FIRM REPRESENTATIONS

Because of the importance of the Client's and the Company's representations to the services, the Client and the Company agree to release and indemnify Online Taxman and its personnel from and against any liability and costs relating to Online Taxman's services under this letter attributable to any misrepresentations by the Client and/or the Company.

ACCURACY OF ESTIMATE

You understand that the cost of preparing your tax return(s) or providing other services is based upon you providing the information with regard to each of your items of income and expenses and deductions in a summary format. The estimate is also dependent on the completeness of data and information supplied during the initial consultation and the complexity and number of forms, calculations, documents, or other information required by law. The cost of the services provided will increase above the fee originally quoted if data received is incomplete or inconsistent or if the information is not compiled properly and requires "source data" computations. Furthermore, new facts might be uncovered from the client or changes in laws or legal advice might alter the scope of the engagement and cost. Upon these changes, we will notify the client and give a revised estimate of cost and scope.

ACKNOWLEDGMENTS

- I, the Client, acknowledge that I may engage the Company to prepare my United States tax return and related reporting.
- I understand that the law provides various penalties that may be imposed when a taxpayer understates their tax liability or does not file returns and Foreign Bank Account Reporting (FBAR) prior to the statutory deadlines and that I am solely responsible for providing timely and accurate information to the Company as it relates to tax returns and FBAR, and the Company cannot be held liable for any failure on my part to provide timely and accurate information related to tax returns and FBAR.
- I acknowledge that the Company, its content, and the services provided by the Company (if any) are not in any way affiliated with or endorsed by the IRS. The Company offers tax preparation services and is not responsible for refund amounts, timing of refunds, or other activities controlled by the IRS. There is no guarantee that estimates provided are accurate and actual refund amounts may differ significantly.
- I acknowledge that any U.S. federal tax advice provided is not intended to be used for the purpose of avoiding penalties under U.S. federal tax law.
- I acknowledge that the Company is not responsible for, nor does it intend to provide services related to, compliance with the internal tax laws of countries other than the United States.
- I acknowledge that neither the Company nor its representatives are providing legal advice or services, that the information is provided on its website for informational purposes only and is not intended to substitute for obtaining accounting, tax, or financial advice from a professional accountant.

- I acknowledge that the Company cannot guarantee the outcome of any tax filing, tax refund, or other products and/or services. The Company cannot make any guarantees other than to deliver information, education, and services purchased as described. The Company strives to ensure all tax returns are accurate, complete, and error-free. However, in the event of an error, Client shall be solely liable for any result (including but not limited to penalties and/or audits) due to errors and/or omissions in information provided by the Client to the Company.
- I further acknowledge that it is my responsibility to provide all of the information required for the complete and accurate preparation of this return. The Company will not audit or otherwise verify the data I submit.
- As the taxpayer, I have the final responsibility for the income tax returns and I acknowledge that I understand the importance in carefully reviewing the returns before signing them.
- I understand that the Company is in no way affiliated with or responsible for decisions, timing, or other activities of the United States Internal Revenue Service (IRS) or any other government agency.
- I acknowledge that the Company may provide services related to the preparation of my tax return, and does not apply to services related to an audit of the return by the IRS, other government agency, additional correspondence with a government agency, or other services that may be required after the filing of my return(s).
- I understand that all of the information I provide will be kept confidential; however, I understand that any discussion with any member of the Company is not protected by any form of protected privilege.
- I understand that tax refund estimates provided by the Company are estimates only and may not be equal to the amount of actual refund provided by the IRS or other government agency.
- I understand there may be an instance where it is my responsibility to physically mail in my tax return and that the Company will alert me to such instance, and it is then my responsibility to submit my tax return directly to the IRS.
- I agree to transmit any private documents or other personal information to the Company via secure online upload service ("User Portal") that are setup as part of this Agreement. I agree to notify the Company for any breach of security or unauthorized use of information while using Company's User Portal.

DISCLOSURE

By U.S. law, OTM is prohibited from disseminating or sharing your information with any third party for a use not intended by this engagement. If you request OTM share your

information with a third party for any purpose, OTM is required to obtain a signed instruction letter from you. This consent is not necessary if the disclosure is to an attorney or the IRS or state taxing authorities. OTM is also prohibited by law from disclosing your information to third parties who wish to use the information for commercial purposes. However, your express consent is not required for the release of information to other professionals under OTM collaborative agreements/joint-ventures or to OTM contractors as such release is specifically intended by this engagement for Services.

ELECTRONIC COMMUNICATION

Emails can be intercepted, read, disclosed, or otherwise used or communicated by an unintended third party. OTM does not guarantee or warrant that emails from their domain will be properly delivered and read only by the addressee. OTM specifically disclaims and waives any liability or responsibility whatsoever for interception or unintentional disclosures of emails transmitted during the performance of this engagement.

CONFLICT OF INTEREST

OTM may not represent one client when an interest is directly adverse to another client; or there is significant risk that the representation by both would materially limit the responsibilities of OTM professional staff. However, if it is determined that competent and diligent representation can be afforded to each affected client and fully disclosed within 30 days of the conflict being made known to OTM professional staff, written consent can be provided by both parties and maintained in the electronic client file by OTM for 36 months. (Cir. 230 Sec.10.29)

BURDEN OF REPORTING

In connection with this engagement it is the responsibility of the client to provide complete and accurate information. You acknowledge that certain types of foreign accounts require special reporting and are prepared to provide all the necessary details. You have receipts and other written documentation to support all of the information provided. You will retain these records for a period of at least seven years after the Services are provided. Records in support of any item with a tax basis (real estate, stocks, CPF reporting) should be retained for seven years beyond the sale/liquidation of the asset. Further, you understand that OTM has no responsibility to verify or confirm the information provided and you are, at all times, responsible for the completeness and accuracy of information that you provide. OTM is however, subject to preparer penalties for taking unreasonable positions

and aiding in the underreporting of income. As such, the staff of OTM will act in “good faith” in representing your information to the authorities and may request supporting documentation to support information provided in your planner or in an email. OTM does have a responsibility under section 6694 of the Internal Revenue Code to seek further information if such information appears incorrect or incomplete. In some cases a disclosure statement may be required. OTM reserves the right to withdraw from representation at any time if there is unsubstantiated information or an untenable position (one with no substantial authority) in the opinion of OTM that you, the taxpayer, wish to pursue.

RECORDS AND RECORD RETENTION

OTM will retain an electronic copy of your tax return, other documents and supporting records you provided for 3 years post filing date. In the event of a billing dispute, OTM is required to promptly return all client records but not the supporting files created by OTM. As a paperless office, OTM does not retain original client documents. Please do not provide original documents.

You understand that you are responsible for retaining your own supporting documentation for seven years, including proof of mailing or IRS e-file confirmation. Information in support of basis determination (i.e. investments, CPF contributions, real estate) should be maintained for seven years beyond the sale/liquidation of the asset. Monthly statements of non-U.S. accounts must be maintained for a minimum of five years. (See below).

All work papers prepared in conjunction with this engagement are confidential and are the property of Online Taxman. Work papers and client documents and information will be retained in accordance with Online Taxman’s document retention policies.

COMPUTATIONAL ERRORS

If there is a computational inaccuracy in the processing of your data by the Company, we will repay to you the amount of the penalty and/or interest assessed solely as a result of such computational inaccuracy paid by you to the relevant taxing authority. However, in no case shall the amount of such repayment exceed the maximum amount covered by Errors & Omissions insurance. (We carry up to \$1 million Errors & Omissions insurance per claim.) For purposes of this agreement, a “computational inaccuracy” shall be defined to mean only a mistake in the numerical addition, subtraction, multiplication or division of numbers. If you believe such a computational inaccuracy has occurred, you must notify us as soon as

you learn of the mistake (and in no event later than 30 days after the penalty is assessed). You must upload to your secure user account a copy of the notice of error from the taxing authority and any related communication. You are responsible for providing any other information requested by us. You are also responsible for paying any additional tax liability not repayable to you under this agreement. To the full extent permitted by law, this sets forth your sole and exclusive remedy and the entire obligation of the Company and its affiliates, agents, subcontractors and suppliers with respect to any claims with respect to alleged computational errors or inaccuracies in the performance of the Company.

STATE RETURNS

It is not always easily discernible if a taxpayer residing overseas has a state filing obligation as some states base the determination on a set of subjective factors such as physical presence and some states follow a more objective approach. "Domicile" and "residency" are legally distinct concepts and do not always determine filing obligations. Some states have safe harbor provisions and some states specifically recognize the federal income exclusions (IRS sec 911) while others do not. Still other states have no income tax or tax investment income only. Additionally, a state filing requirement may change from year to year based on your personal activities, such as presence in a state, the purchase of real estate, partnership activities (K1s), etc. As this is not often apparent at the time the estimate is given, research related to whether a state return is required and the preparation of state returns is separately chargeable. Some state returns require separate extensions and do not follow the special rules afforded to U.S. persons residing abroad. OTM is not responsible for penalties associated with the late filing & late payment to state authorities. This is applicable to new and returning OTM clients. If in the opinion of OTM staff, you have a state filing requirement you will be so advised after the necessary information is disclosed to OTM. If you decline to file a state return or you request further review of your requirement to file you will be advised to seek the services of a tax attorney familiar with the rules of your specific state.

SELF-EMPLOYMENT

You understand that if you are self-employed, you must pay U.S. self-employment tax and any applicable state taxes on your foreign earned income regardless of your place of commerce, after deducting all applicable business expenses. The foreign earned income exclusion (FEIE) does not alleviate this requirement and business expenses are taken first and pro-rated against the FEIE if there is also employee income to report. A Totalization Agreement may alleviate this requirement. However, this is not available in every country

or territory. If you have self-employment income from a U.S. treaty nation please advise OTM immediately as there are special rules that will apply to each nation. If you are an owner/director or partner of a foreign business of any percentage you must advise OTM immediately as informational returns (partnership or corporate) will be required. These forms although informational in nature, carry excessive punitive penalties (\$50,000 and upwards) for non-compliance. There will be additional fees for these forms.

FOREIGN BANK ACCOUNT REPORTING (FINCEN FORM 114 A.K.A. "FBAR") AND FATCA COMPLIANCE

You understand that you have a legal obligation to report all foreign financial accounts if the highest daily balance of all foreign accounts exceeds an aggregate of \$10,000 USD and that this is a separate and distinct requirement than filing form 1040. This includes accounts held at all foreign banks, securities and investments, non-U.S. life insurance policies with a cash surrender value, holdings of precious metals, such as gold if held by a financial institution, and retirement accounts, including but not limited to CPF and other foreign provident funds. This includes accounts over which you have signatory authority and accounts held jointly with a foreign spouse. This list is not exhaustive and this law has been in effect since the 1970s. It is NOT new. This informational report is required by the Bank Secrecy Act, 31 USC 5314 (CFR 103.24, 103.27) and it provides for strict financial penalties & criminal prosecution for noncompliance. Although not a tax form, the IRS has indicated in its interpretation of Circular 230 (Sec. 10.22) that preparers have an obligation to make inquiries concerning the filing of such reports as the information must be disclosed in form 1040 if Schedule B is required.

Unless it is specifically and explicitly agreed that OTM will file your FinCEN Forms, you, by your signature on this engagement letter, acknowledge that you take full responsibility to personally file FinCEN Form 114 (FBAR) with the United States Department of Treasury and inform OTM of such filing for reporting on 1040 Schedule B. Effective July 1, 2013 all FBARs must be filed electronically using the FinCen network. More information is available at www.fincen.gov & questions should be directed to 1-800- 949-2732.

According to guidance issued by the U.S. Department of Treasury this mandate includes all FBAR filings, including prior year (late) filings and amended filings. Special guidance may apply to those individuals entering a tax amnesty program. Also, under this statute, you are required to retain all statements from foreign based accounts for six years (6). If you have not filed this form in the past and you are interested in becoming compliant, OTM will

provide you with a list of tax attorneys to discuss your filing options. The employees of OTM are not permitted to provide legal advice in this area.

STATEMENT OF FOREIGN FINANCIAL ACCOUNTS (FATCA)

Form 8938 is now required to be filed as part of the 1040s for clients triggering the filing thresholds. The thresholds for this reporting requirement are complex and vary depending on your filing status and place of residency at the end of the year. The types of accounts reportable are not necessarily the same as the types of accounts that are reportable on the FBAR. Therefore, even if you qualify to file the FBAR, you will be required to complete an excel file providing account numbers and balance details and information on the open and closing dates of certain accounts in order to complete your tax return. The thresholds for triggering form 8938 are higher than the FBAR. This form carries an additional fee to prepare.

FOREIGN TRUSTS AND GIFTS & CERTAIN TYPES OF FOREIGN RETIREMENT FUNDS

If you are the beneficiary or trustee of a foreign trust or received a distribution from a foreign trust additional informational forms will be required. There will be additional fees for these forms. If you received a gift of cash or other assets from a non U.S. person, including your spouse equal to or in excess of \$100,000 in one year additional informational forms will be required. There will be additional fees for these forms. If you make a gift to your foreign spouse, this includes withdrawals from jointly held bank accounts, in excess of the annual limit established by the IRS, additional forms will be required. If you made a gift to any other person, not your spouse, additional forms will be required. In some cases, OTM will work with an outside professional firm to provide these forms on your behalf given their highly specialized nature.

CPF OR OTHER FOREIGN PENSION OR RETIREMENT ACCOUNTS

You understand that you must report as income all employer contributions made on your behalf to the CPF or other non U.S. pension or retirement accounts. You also understand that these accounts may need to be disclosed on the FBAR (see above) and form 8938 and that all interest and dividends, even if reinvested must be reported as income. You further understand that distributions from these accounts are not considered foreign "earned" income for purposes of the foreign-earned income exclusion, nor do they qualify for

special deferred status tax treatment as a U.S. domestic pension or retirement account (401k or IRA).

FOREIGN INVESTMENTS

Certain types of investments made outside of the United States, not including U.S. sponsored funds investing in foreign markets, require special tax reporting. You will provide information on your foreign investments at the time of this engagement. Because foreign banks do not always have reporting requirements, you will be responsible for gathering the information necessary for the correct reporting. This includes, but is not limited to, foreign life insurance policies, unit trust, mutual funds, hedge funds, forex accounts, commodities, ETFs, index funds, and CDs. Financial planning is available through our U.S. entity and will require a separate engagement. Please contact John Hamilton (johnh@onlinetaxman.com) for further assistance.

FOREIGN LIFE INSURANCE

Foreign policies, if eligible under U.S. insurance rules, will require you to obtain an EIN and file Form 720. If the policies are not eligible, form 8621 may be required. Please disclose this information immediately. OTM can review your life insurance policies and further advise of the necessary tax reporting. Additional fees apply for this Service. In some cases, OTM will work with an outside professional firm to provide these forms on your behalf given their highly specialized nature.

RELIANCE OPINIONS

At no time should advice provided by OTM staff be construed as covered opinions or reliance opinions as defined by IRS Circular 230. Advice provided is NOT intended or written by OTM staff for the purpose of avoiding penalties that may be imposed on the taxpayer by any tax authority.

RESPONDING TO SUBPOENAS AND OTHER REQUESTS

In the event we are required to respond to a subpoena or other formal request from a third party or a governmental agency for our records or other information relating to services we have performed for you, or to testify by deposition or otherwise concerning such services, we will first consult with you as to whether you wish to supply the

information demanded. It is understood that you will reimburse us for our time and expense incurred in responding to any such demand, including, but not limited to, time and expense incurred in search and photocopying costs, reviewing documents, appearing at depositions or hearings, and otherwise litigating issues raised by the request.

MISCELLANEOUS

- **Governing Law.** This Agreement shall be governed by the laws of the State of New York without regard to conflicts of law provisions. You hereby consent to venue and jurisdiction in the Federal and State Courts located in New York, New York, USA for any dispute related to this agreement.
- **Entire Agreement.** This Agreement, along with any Supplemental Agreements, is the entire and exclusive agreement between the parties, and it supersedes all previous communications, representations or agreements, either oral or written, between them with respect to this subject matter. No representations or statements of any kind made by us, which are not included in this Agreement, shall be binding on us.
- **No Oral Modification.** This agreement cannot be modified except in a writing signed by all parties hereto.
- **No Waiver.** No waiver of any provision herein shall be valid unless in writing and signed by both our authorized representative and you. Our failure to insist upon or enforce strict performance of any provision of this Agreement or any right shall not be construed as a waiver of any such provision or right.
- **Severability.** If any provision of this Agreement is deemed to be illegal or unenforceable, the remainder of this Agreement shall be unaffected and shall continue to be fully valid, binding, and enforceable.
- **Statute of Limitations.** Any legal action or proceeding asserting a claim against OTM arising out of or relating to this engagement shall be asserted within one (1) year from the Engagement Termination Event
- **Cause Of Action.** Except with respect to payments due for professional services, to the maximum extent permitted by law, each party agrees that no action, regardless of form, relating to an engagement, may be brought by such party more than one year after the cause of action has accrued.
- **Signatories.** The signatories to this engagement letter represent and warrant that such person is lawfully authorized and empowered to execute this engagement letter on behalf of the party on whose behalf such person is signing, and that upon execution, this engagement letter will be binding upon such party, without any further approval, ratification, or other action.

CONTRACT

This letter is contractual in nature and supersedes any prior oral or written representations by or between parties. You have fully reviewed this document and by signature/s below agree.

Sincerely,

Vincenzo Villamena – CEO and President, Online Taxman LLC

By signing this form, you confirm that you will provide OTM with all required information to accurately perform and execute all requested services and agree to and accept the terms and conditions set forth in the foregoing letter.

Signature _____ Date _____