

## PERSONAL TAX ENGAGEMENT LETTER

We appreciate the opportunity to work with you (and your family) and advise you (and your family) on income tax matters. Canada Revenue Agency (CRA) impose penalties upon taxpayers, and upon us as tax return preparers, for failure to observe due care in reporting on your 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.

We will prepare your (and your family's) 2024 and future personal income tax returns based on information that you provide to us. We will not audit or otherwise verify the accuracy or completeness of any information provided by you, although we may ask you for clarification of some of the information. It is our responsibility to prepare your tax return correctly according to the law and the information that you have provided.

It is your responsibility to provide us with all the information required to prepare complete and accurate returns. The accuracy of the information and completeness of the representations reflected in your return is your responsibility under the Income Tax Act. You represent that the information supplied to us is, to your knowledge, correct and complete, and fully discloses all of your reporting requirements under the Income Tax Act. You confirm that you have provided us with all income and deduction items to be included in your return and they are correct and complete. You confirm that all sources of income have been disclosed, all deductions were incurred to earn income, and all credits and deductions claimed are supported by receipts.

You have the final responsibility for the income tax return and, therefore, you should review it carefully before you sign it.

**You should retain all the supporting documents and other data that form the basis of your income and deductions. These may be necessary to prove the accuracy and completeness of the return to CRA. You must retain this information for seven years from the date of the Notice of Assessment or Reassessment.**

By signing this letter, you represent that you will provide us with accurate and complete information necessary to prepare your tax return. This includes informing us of the sale of your principal residence, and all interests you held in foreign properties with an aggregate cost in excess of \$100,000 at any time in the year, as well as all income from any foreign properties regardless of their aggregate value and all income and transactions relating to non-resident trusts. The law imposes various penalties when taxpayers understate their tax liability. If you would like information on the amount or circumstances of these penalties, please contact us.

By signing this letter, you agree that our firm's potential liability for negligence is limited to the amount of fees we have received for this engagement.

### **Our Privacy Commitment**

It is acknowledged that we will have access to all personal information in your custody that we require to complete our engagement.

At Flahr Friedel Professional Corporation CPA, we are committed to the protection of your personal information. We collect and use your information to prepare your personal income tax return(s). In our normal business practices, we must also collect your personal information from, and share your personal information with other organizations that are involved in providing you with our services.

By signing this engagement letter, you represent and warrant that you are the authorized representative of all individuals for whom the financial information will be prepared and that you have obtained and provide the consent of such individuals to the collection, use and disclosure of all personal information described in the Privacy Policy.

To change your contact information or to let us know if there are any types of correspondence you do not wish to receive from our office, please contact us.

CRA may select your return for review. Often, they request copies of your receipts and other times they may require a full audit. Any adjustments proposed by CRA are subject to certain rights of appeal. In the event of such tax examinations, we will be available upon request to represent you at our regular hourly rates.

Our professional fees will be based on our regular billing rates plus direct out-of-pocket expenses and applicable GST and are due when rendered. Fees for additional services will be established separately.

If this letter accurately reflects your understanding, please acknowledge your agreement by signing below. A copy of this agreement will be provided for your records upon completion of the personal tax returns. Please feel free to call us with any questions or concerns. Thank you for your trust in our business.

Respectfully,

**Flahr Friedel Professional Corporation**  
Chartered Professional Accountants

The services and terms as set out above are as agreed.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

