



## PERSONAL INCOME TAX RETURN ENGAGEMENT LETTER "TERMS OF SERVICE"

### YOUR RESPONSIBILITIES

It is understood and agreed that your responsibility as the taxpayer is as follows:

#### **Accuracy and Completeness Of The Information You Provide**

The accuracy and completeness of the information given by you to prepare your tax 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;

- (a) You confirm that you have provided us with all income and deduction items to be included in your tax return and that 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 claimed are supported by receipts, including income and benefits from employment whether or not on the T4 slips;
- (b) All incomes, including business, commission, farming, professional and rental present the results of operations and include all material transactions, including dispositions of assets;
- (c) All estimates for personal use of automobile, business portion of residence, rental property, and other such estimates you have provided are reasonable and supported by usage logs and other evidence;
- (d) All income from investments and dispositions of a capital nature (whether received or not, and on a T3 or T5 or not), and their costs have been reported;
- (e) You are not aware of any illegal or possibly illegal acts for which you have not disclosed to us all facts related thereto.

### FOREIGN PROPERTY

You confirm that you have provided us with the correct and complete information with regards to ownership of, or beneficial interests in, specified foreign property as reported on the Foreign Income Verification Statement (T1135) and you have fully disclosed the related foreign income.

### OUR RESPONSIBILITIES

It is understood and agreed that our role as your tax return preparer is as follows:

- (a) We will not audit, review or otherwise attempt to verify the accuracy or completeness of any information provided. It is up to you to provide us with accurate and complete information necessary to prepare such personal income tax return(s). It is up to us to accurately prepare the income tax return;
- (b) Your (and your family's) personal tax return(s) will be marked "Prepared without audit or review from information provided by the taxpayer" along with our firm name identified as the preparer of your tax return on all schedules including business and/or rental forms and schedules. You agree that all third parties requiring your tax return information are aware that an audit or review was not performed to verify the accuracy and completeness of information reported on your tax return.

## PRIVACY OF INFORMATION

By providing any personal and financial information to us, you and your family members, if applicable, are consenting to the use of this information solely for the purposes of our firm performing the agreed upon work for you, and for the on-going management of your account.

Kloberdanz & Associates Inc., along with its associated sub-contractors and employees will not share any personal, financial or private information about you or your family with any third party or any other person(s) outside of our firm without written consent by email from you allowing us to do so.

Third parties may provide us with information for purposes of preparing government reporting forms or other outsourced functions of the business. By providing such personal information to our firm, we are assuming that you or your family members, if applicable, obtained the necessary consents regarding use of such information from the affected parties.

In accordance with professional regulations, my client files must be periodically reviewed by practice inspectors, to ensure that I am adhering to professional and firm standards. File reviewers are required to maintain confidentiality of client information. The working papers, files, other materials, reports and work created, developed or performed by me during the course of the engagement are the property of my firm, constitute confidential information and will be retained by me in accordance with my firm's policies and procedures.

## SUSPICIOUS TRANSACTIONS OR ACTIVITIES

Pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act, all accountants in Canada are required, in certain circumstances, to report any "suspicious transactions" to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), a government agency. Suspicious transactions are transactions which may relate to money laundering and the financing of terrorist activities.

## INTERNET COMMUNICATIONS AND OUR CLIENT PORTAL

We communicate to you electronically by email and through a third-party hosted portal on the Internet. Copies of financial and tax information will be sent to you electronically, and your information is hosted and stored in a cloud outside of Canada. We have taken as many security measures as we are aware of to ensure data confidentiality and safety. However, as you are aware, there is security risk attached to these electronic communications (including human error). Please communicate with us any issues or concerns you may have regarding such.

## CIVIL PENALTIES

You hereby agree to indemnify, defend (by counsel retained and instructed by us) and hold harmless Kloberdanz & Associates Inc., its sub-contractors and/or employees, from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of:

- (a) The breach by you or your family members of any of the covenants made by you herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, our engagement report or the financial statements in reference to which the engagement report is issued, or any other work product made available to you by our firm; and,
- (b) The services performed by Kloberdanz & Associates Inc. pursuant to this engagement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the negligence of Kloberdanz & Associates Inc. In the event that the matter is settled out of court, we will mutually agree on the extent of the indemnification to be provided by you.

## SCHEDULE OF WORK

We will do our best to meet all deadlines and inform you of when we are unable to meet a deadline. Please be advised that we are on a 'first come, first serve basis'. We are not responsible for penalties and interest from late payment of amounts due on all government debts owing or any late filing fees that were beyond our control.

## OUR FEES

Our fees for preparing your income tax return(s) will be billed upon completion of the return(s) and due immediately. If there is delay in receiving information or complications experienced, a progress billing may be issued. If there have been previous collection issues or we are preparing returns that are in arrears, a deposit will be requested prior to commencement of our work.

Our fees for preparation of the return(s), including any accounting work required, are based on the complexity of the work involved and the time incurred to complete. **We will extend a 30 minute no-charge consultation** on your account for phone calls, virtual FaceTime or Skype meetings and emails to answer any questions that you may have during the year. We will track time spent on questions, and **after 30 minutes we will invoice for communications at our standard hourly rates** which are dependent on what service is being performed. This complimentary 30 minute consultation does not apply to any work to be performed. It only applies to emails and phone calls for questions to be answered.

Our time to review, Notices of Assessment, Reassessment, Statements of Account issued by the taxing authorities, responding to government requests and reviews, are all not included in our preparation fee. We will bill our time incurred on all above items at our standard hourly rates.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or personnel as witnesses with respect to our engagements for you, you will, so long as we are not a subject of the investigation or proceeding in which information is sought, reimburse us at our standard billing rates for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

If the services outlined are acceptable to you, please sign the engagement letter and return it to us prior to our commencement of preparing your personal tax return(s).