



BUSINESS CLIENT ENGAGEMENT AGREEMENT

This letter is to confirm our understanding of the terms and objectives of our business tax services engagement and to clarify the nature and limitations of the business tax services to be provided. The engagement between you and our firm will be governed by the terms of this agreement.

We will prepare the federal and state entity income tax returns for calendar or fiscal year 2025, plus related year-end tax accounting adjustments. It is your responsibility to provide us with all necessary information, allowing us a reasonable amount of time to prepare your returns before the original tax filing deadline, and thereby assuring us the ability to provide complete and accurate income tax returns.

We will not prepare any tax returns other than those identified above, without your written request, and our written consent to do so. We will rely upon the completeness and accuracy of the information and representations you provide to us to prepare your tax returns. We have not been engaged to and will not prepare financial statements. We will not audit or otherwise verify the data you submit to us, although we may ask you to clarify certain information.

We will prepare the above-referenced tax returns solely for filing with the Internal Revenue Service (IRS) and applicable state and local tax authorities. Our work is not intended to benefit or influence any third party, either to obtain credit or for any other purpose.

You agree to indemnify and hold us harmless with respect to any and all claims arising from the use of the tax returns for any purpose other than filing with the IRS, state, and local tax authorities regardless of the nature of the claim, including the negligence of any party.

We will use our judgment to resolve questions in your favor where a tax law is unclear, provided that we have a reasonable belief that there is substantial authority for doing so. If there are conflicting interpretations of the law, we will explain the possible positions that may be taken on your return. We will follow the position you request, provided it is consistent with our understanding of tax reference materials. Tax reference materials include but are not limited to, the Internal Revenue Code ("IRC"), tax regulations, Revenue Rulings, Revenue Procedures, Private Letter Rulings, court cases, and similar state

and local guidance. If the IRS, state or local tax authorities later contest the position you select, additional tax, penalties, and interest may be assessed. We assume no liability, and you hereby release us from any liability, including but not limited to, additional tax, penalties, interest, and related professional fees.

We may deem it necessary to provide you with accounting and bookkeeping assistance solely for the purpose of preparing the tax returns. In the event we conclude that such services are necessary to prepare your tax returns, we will advise you in writing before services are performed and bill you for the required services. You agree to pay for those required services.

This engagement does not include responding to inquiries by any governmental agency or tax authority. If your tax return is selected for examination or audit, you may request our assistance in responding to such an inquiry. If you ask us to represent you, and we agree to represent you, we will confirm this engagement in a separate Agreement.

You are responsible for reporting foreign activities. By signing this letter, you acknowledge that you will inform us if you have income from foreign sources or if you have signatory authority over any foreign account. If you are unsure whether income or an account is foreign, we will review it. Note that the civil and/or criminal penalties for failure to report foreign activities are severe.

The foreign reporting requirements are complex. If you have any questions regarding the application of the reporting requirements for your foreign interests or activities, please ask us and we will respond in writing. Only advice that is in writing may be relied upon. We assume no liability for penalties associated with the failure to file or untimely filing of any of these forms.

You are responsible for complying with the tax filing requirements of any other country. You acknowledge and agree that we have no responsibility to raise these issues with you and that foreign filing obligations are not within the scope of this engagement.

You are responsible for advising us of any changes in ownership, including the death of any partner, member, or shareholder, so we can properly reflect those changes on the tax returns.

If your entity is a partnership, you should review your partnership (or LLC) agreement with your attorney to ensure that it addresses the significant changes to the partnership audit regime that will generally apply to partnership returns filed after 2018.

You are responsible for maintaining basis schedules for owners. If you ask us to prepare these schedules, and we agree to do so, we will confirm this with you.

You are responsible for distributing a copy of each schedule K-1 to each partner, member, shareholder.

Newly required schedules K-2 and K-3 are generally only necessary if the entity had foreign activity. In most cases, the schedules will not be prepared if there was no foreign activity during the year. If any partners or shareholders require the new schedules, please advise us when preparation of the return begins. An additional fee will apply for their preparation.

You are responsible for maintaining adequate documentation to substantiate the accuracy and completeness of your tax returns. You should retain all documents that provide evidence and support for reported income, credits, deductions, and other information on your returns, as required under applicable tax laws and regulations. You represent that you have such documentation and can produce it if necessary, to respond to any audit or inquiry by tax authorities. You agree to hold our firm harmless from any liability including but not limited to, additional tax, penalties, interest and professional fees resulting from the disallowance of tax deductions due to inadequate documentation.

You are responsible for ensuring that personal expenses, if any, are segregated from business expenses and that expenses such as meals, travel, vehicle use, gifts, and related expenses are supported by documentation and records required by the IRS and other tax authorities. At your request, we are available to provide you with written answers to your questions on the types of supporting records required.

You have final responsibility for the accuracy of your tax returns. We will provide you with a copy of your electronic tax returns and accompanying schedules and statements for review prior to filing with the IRS, state, and local tax authorities. You agree to review and examine them carefully for accuracy and completeness.

The original filing due dates for your tax returns are March 16, 2026. **Due to the high volume of tax returns prepared by our firm, you must provide us the information needed to prepare the returns no later than February 23, 2026.** If you are unable to provide us all the information by this date, it may become necessary to apply for an extension of the filing deadline. Applying for an extension of time to file may extend the time available for a government agency to undertake an audit of your return or may extend the statute of limitations to file a legal action. All taxes owed are due by the original filing date.

Federal, state, and local tax authorities impose various penalties and interest charges for non-compliance with tax laws and regulations, including failure to file or late filing of returns, and underpayment of taxes. You, as the taxpayer, remain responsible for the payment of all tax, penalties, and interest charges imposed by taxing authorities.

Billings for tax services are generally based on a variety of factors including complexity, state of information provided to us, time spent plus any out-of-pocket expenses. **Our minimum fee for entity income tax preparation is \$800.** Invoices for services are due upon receipt. You will become a cash only client, required to prepay a cash deposit for all services in advance if you fail to pay in a timely fashion.

If the tax services and terms outlined are in accordance with your understanding of our engagement, please sign this letter in the space provided below and return it to us.

We appreciate the opportunity to serve you. If you have any questions or need any additional information, please do not hesitate to call. We look forward to working with you!

Sincerely,

Townsend Tax Services

Signature

Date

Company Name & Title