

ENGAGEMENT LETTER

This letter will confirm the arrangements for our services. We will prepare your **2020 Canadian Personal Income Tax Returns** from information you furnish to us. We will not audit or otherwise verify the data you submit, although we may ask you to clarify some of it for us. Please note that the preparation of income tax returns does not automatically include preparation of GST/TVQ/HST or similar filings. If such apply, they need to be contracted for separately.

We will use professional judgment to resolve questions involving the application of tax rules in your favour, if there is a reasonable justification for doing so. We are available to answer your inquiries on specific tax matters and to consult with you on income tax planning, personal financial planning, and estate tax planning, should you wish us to do so. If a financial statement or other work unrelated to your tax returns is required, it will be covered by a separate engagement letter and invoiced separately.

You agree to furnish all information that is necessary for the preparation of the above tax returns. Furthermore, you expressly represent that the information you are supplying to us is accurate and complete to the best of your knowledge, and that you have sufficient documentation to substantiate all items of income and deduction claimed (including travel and entertainment expenses, if applicable). You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

Our work in connection with the preparation of the tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist.

We base our charges in part on the time required at our regular rates for the services and personnel assigned, plus out-of-pocket costs. In addition, our charges also include other appropriate factors, including the difficulty of the assignment, how much risk and responsibility the work entails, time limitations imposed on you and us by others, the experience and professional expertise of the personnel required, and the priority of the work to the client. All invoices will be in US dollars. Due to many unforeseen circumstances in the preparation of tax returns and working on tax projects, we regret that we can only estimate, not promise or quote, a total cost for our work. Your understanding is greatly appreciated.

In many instances, we will request a retainer. If credit is extended, we respectfully expect payment within 30 days. We also accept payment by **Visa, MasterCard, or American Express** (please contact our office to provide credit card payment details). PLEASE NOTE: Balances not paid within 30 days will have a finance charge assessed on the unpaid amount, computed at a periodic rate of 1% per month, which is an annual percentage rate of 12%. If any balance is more than 30 days past due, we reserve the right to cease working on your returns or providing any other services, without specific notice to you of any cessation of work, until the balance has been paid in full, and a further retainer has been received. In the event that any dispute arising from this engagement cannot be resolved amicably, both parties explicitly agree to submit same to binding arbitration.

Your returns are, of course, subject to review and possible challenge by the taxing authorities. You should retain the tax records related to the current year's tax returns for at least seven years after they were filed, since additional assessments, if any, are usually made during this period. If you should receive any notice from any taxing authority, please let us know. If such notice requires action and you would like us to assist you, please understand that our fee for such services will be billed to you as our efforts are incurred (unless the notice resulted from an error on our part).

PLEASE CONTINUE ON THE OTHER SIDE

**PLEASE ANSWER ALL OF THE FOLLOWING BEFORE SIGNING**

**PREFERENCES & PROCESSING**

Please let us know your preferences with regard to the delivery of your tax return. Please check one:

- Electronic PDF available through our portal     Paper Copy

Our invoice for the preparation of your return(s) can be delivered either via email or mail. Please let us know which method you prefer

- Email my invoice to my preferred email address                       Mail me a paper copy of my invoice

**SPECIFIC INFORMATION**

		YES	NO
<u>Citizenship:</u>	For Election Canada purposes, please indicate if you are a Canadian citizen.  If yes, but you do NOT wish for this to be disclosed by the Canada Revenue Agency, please initial here _____.	<input type="checkbox"/>	<input type="checkbox"/>
<u>CRA on-line:</u>	Do you authorize your registration for the new Canada Revenue Agency on-line mail service?  <i>If yes, your notice of assessment, any notice of re-assessment, and all future correspondence eligible for on-line delivery, will no longer be printed and mailed to you.</i>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Gifts:</u>	Did you make any gifts of investments or other <i>non-cash</i> property to anyone in 2020?	<input type="checkbox"/>	<input type="checkbox"/>
<u>Automobiles:</u>	Do you use an auto for business purposes – remembering that commuting to/from a job is NOT a business purpose?  If yes, do you have a written log or records to substantiate the business travel claimed?	<input type="checkbox"/>	<input type="checkbox"/>
<u>Pension Income Splitting:</u>	Would you and your spouse or common-law partner wish to elect to split eligible pension income received in the tax year?  If yes, were you and your spouse or common-law partner residents of Canada, and were not living apart from each other, on December 31, 2020?	<input type="checkbox"/>	<input type="checkbox"/>
<u>Québec residents Only:</u>	Private non-government drug insurance plan – were you covered for all of 2020 by any group or private drug insurance plan that <i>replaces</i> the Québec drug plan?  Did you live alone for all of 2020?	<input type="checkbox"/>	<input type="checkbox"/>
<u>US Roth IRA:</u>	Do you have any US Roth IRA accounts?	<input type="checkbox"/>	<input type="checkbox"/>
<u>Virtual Currency</u>	At any time during 2020, did you receive, sell, send, exchange or otherwise acquire any financial interest in any virtual currency?	<input type="checkbox"/>	<input type="checkbox"/>

Depending on the above answers, we may need to contact you for additional information.

We shall be pleased to discuss this letter with you at any time. We are happy to have you as a client, and will do our best to render quality service to you.

Sincerely,

HerrickGlobal

If the foregoing is in accordance with your understanding, please sign below and return this letter to us.

Accepted:(signature)\_\_\_\_\_ Date:\_\_\_\_\_

Current email address:\_\_\_\_\_

Please print name of taxpayers(s):\_\_\_\_\_

**IF THIS AGREEMENT IS NOT RETURNED WITH YOUR DOCUMENTS  
WE CANNOT BEGIN ANY WORK ON YOUR RETURNS**