

Name: \_\_\_\_\_

**Subject: Personal Tax Return Engagement**

This letter summarizes our understanding of our engagement with you for the taxation period ending December 31, 2022.

**TAX SERVICES**

We agree to prepare the T1 income tax return for the tax year ending December 31, 2022.

In addition to the various schedules required to support the computations applicable to the T1 Return, all taxpayers are required to disclose whether or not they own specified foreign property with an aggregate cost in excess of \$100,000 CAD. We will discuss this requirement with you, and, where applicable, you will provide us with a list of such properties in sufficient detail to allow us to complete the T1135 Foreign Income Verification Statement required to be filed as part of the T1 Return. If you choose not to engage us to prepare this form for you, you will notify us in writing.

We will complete the agreed upon Services for the taxation period ending 2022, and any services related to a prior or subsequent taxation year will not be within the scope of this Engagement.

We will complete the Services based solely on information provided by you. You will provide all requested information necessary to complete the Services in an acceptable format and in a timely manner. The correctness and completeness of the information provided by you will be of critical importance to the Services. In some cases, assumptions may also have to be made in terms of future events or facts. We will review all material assumptions made with you so that you can confirm that these assumptions are valid.

We will not audit, review, or otherwise verify the accuracy of this information. While we will review the completed T1 Return with you, it is your responsibility to ensure the accuracy and completeness of the information therein. It is your responsibility to properly record and, where applicable, retain supporting documentation for all transactions. Our Services do not include any procedures designed or intended to discover misrepresentations or illegal acts and we have no responsibility to do so. We will not be responsible for (i) any penalties, additional taxes or interest that could arise from inaccurate, late or underpaid tax returns or (ii) the disallowance of any deductions, exemptions or exclusions or the taxation of any unreported income, or any resulting taxes, interest or penalties on your tax return.

We will review the completed T1 Return with you. This review may be conducted through email, telephone, or a meeting.

We will also provide you with final copies of the T1 Return.

The T1 Return will be based on the applicable statutes, treaties, regulations and Canadian judicial and administrative interpretation in effect as of the date of the completion and approval of the T1 Return

and will take into account any proposal to amend applicable statutes, treaties or regulations prior to such date (the "Tax Rules"). Subsequent changes in the Tax Rules may render our advice invalid. We have no obligation to advise you of any such change in the Tax Rules or the impact on the T1 Return. Any advice contained in the T1 Return will reflect our professional judgment. Our judgment, however, is not binding on any taxation authority or court. Consequently, we cannot guarantee that our advice will not be successfully challenged by taxation authorities.

#### **CONFIDENTIALITY**

We confirm our duty of confidentiality and professional secrecy with respect to all client affairs. Accordingly, except for information that is in the public domain, we will not provide any third party with confidential information concerning your affairs without your prior consent, unless required or expressly authorized to do so by law, court order, professional or regulatory authority or by the Code of Professional Conduct. Further, in order to complete our Engagement, we will require access to certain information about you and, as may be required to perform the Services, other identified individuals ("personal information"). By engaging our firm you agree to provide the personal information required for us to complete this Engagement. You hereby represent that you have obtained all consents required for our collection, use, disclosure, storage, transfer, and process of personal information of such other identified individuals under applicable privacy legislation and professional regulation. We will manage all personal information in compliance with our firm's Privacy Statement.

#### **ELECTRONIC COMMUNICATIONS**

In performing the Services, we will send messages and documents electronically. As such communications can be intercepted, misdirected, infected by a virus, or otherwise used or communicated by an unintended third party, we cannot guarantee or warrant that communications from us will be properly delivered only to the addressee. Therefore, we specifically disclaim, and you release us from, any liability or responsibility whatsoever for interception or unintentional disclosure of communications transmitted by us in connection with the performance of this Engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from such communications, including any that are consequential, incidental, direct, indirect, punitive, exemplary or special damages (such as loss of data, revenues or anticipated profits).

If you do not consent to our use of electronic communications, please notify us in writing.

#### **OWNERSHIP**

The working papers, files, other materials, reports and work created, developed or performed by us during the course of the Engagement are the property of our firm, constitute our confidential information and will be retained by us in accordance with our firm's policies and procedures. Notwithstanding the foregoing, you may examine any document relating to you in our file upon reasonable notice and obtain a copy of such document unless we are authorized by law to refuse access to the information contained therein.

During the course of our work, we may provide, for your own use, certain software, spreadsheets and other intellectual property to assist with the provision of our Services. Such software, spreadsheets and other intellectual property must not be copied, distributed or used for any other purpose. We also do

not provide any warranties in relation to these items and will not be liable for any lost or corrupted data or other damage or loss suffered or incurred by you in connection with your use of them.

We retain the copyright and all intellectual property rights in any original materials provided to you.

### **BILLING**

The professional fees and expenses are payable upon delivery of the completed T1 Return to you. Interest at 24% per annum will be charged on invoices outstanding for more than 30 days. We reserve the right to suspend our Services or to withdraw from this Engagement in the event that any of our invoices are deemed delinquent. In the event that any collection action is required to collect unpaid balances due to us, you agree to reimburse us for our costs of collection, including lawyers' fees.

### **TERMINATION**

Subject to compliance with applicable law and the Code of Professional Conduct, either party may terminate this Engagement at any time upon written notice of such termination to the other party. Upon termination of this Engagement, we will invoice you for any unbilled fees and expenses. Further, you agree to pay your account to the date of termination upon receipt of our invoice. The provisions of this Engagement, which provide rights or obligations beyond its termination, shall continue indefinitely following termination, including Indemnity and Billing.

### **GENERAL**

This Engagement will be subject to and governed by the laws of The Province of Ontario. Any disputes arising from this Engagement shall be subject to the exclusive jurisdiction of the courts of Ontario. You agree that any dispute that may arise regarding the Services or the meaning or performance or enforcement of this letter will, prior to resorting to litigation, be submitted to mediation.

This letter forms the entire agreement that will govern the Engagement. The terms and conditions of this letter supersede any prior oral or written representations or commitments by or between the parties. Any changes or additions to the terms or conditions set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by both of the parties.

We would be pleased to discuss the contents of this letter with you at any time, particularly if your requirements change, and to explain the reasons for any items. If the above terms are acceptable to you and the Services outlined are in accordance with your requirements, please sign the copy of the letter in the space provided and return it to us.

We appreciate the opportunity to be of service to you.

Yours truly,  
Dean C. Paley, Professional Corporation

*Dea Ray*

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I (we) agree with your understanding of the terms of your engagement as preparers of my personal tax return(s) as set out in this letter.

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Name

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Date

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Name

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Date