

## ENGAGEMENT LETTER

March 3, 2023

Thank you for asking that we prepare your personal T1 income tax return. The purpose of this letter is to set out a clear understanding of the nature of our involvement as the preparer of your personal income tax return and your responsibilities as the taxpayer.

Our role shall be to prepare returns based on the information provided by you. Responsibility for the accuracy and completeness of the representations in the tax returns remains with you. A-R Partners makes no representation that it will prevent or detect errors, omissions or other irregularities in the information provided to us. The personal tax returns will contain the following communication: "Prepared without audit from information supplied by the taxpayer". This communication will appear with the name A-R Partners as your tax return preparer.

With limited exceptions, we are required to transmit your tax returns to the Canada Revenue Agency ("CRA") using the CRA's EFILE system.

### ***Foreign Reporting***

Canadian tax law contains reporting requirements for Canadian residents who have foreign investments, own shares in foreign affiliates, made loans or transferred property to a non-resident trust or have received a distribution or loan from a non-resident trust. These forms are as follows:

- Form T1135, *Foreign Income Verification Statement*
- Form T1134, *Information Return Relating to Controlled and Not-Controlled Foreign Affiliates*
- Form T1141, *Information Return in Respect of Contributions to Non-Resident Trusts, Arrangements or Entities*
- Form T1142, *Information Return in Respect of Distributions from and Indebtedness to a Non-Resident Trust*

We will not prepare any of the above-noted information returns that may be required for you or members of your family unless you ask us to do so. Substantial penalties will apply if any of these returns are required and are not filed, filed late, or are filed incomplete. If you would like us to prepare any required returns on your behalf, ***please complete the "Foreign Reporting Checklist"*** and forward to us.

### ***Standard Terms and Conditions***

A copy of our Standard Terms and Conditions is attached as Appendix 1 and those terms and conditions form an integral part of this Agreement. Please ensure you read and understand them.

...cont'd





## Acknowledgement and Agreement

Provided that this letter and agreement is satisfactory, please sign, and have all individuals 16 years of age or older for whom you have also requested we prepare personal tax returns sign, and return to us. Our tax return preparation services under this Agreement will commence with your 2021 tax returns. This Agreement will remain in place and fully effective for future years in which you request tax return preparation services unless it is varied or replaced by another relevant written agreement. If you have any questions concerning this Agreement, please contact us.

It is a pleasure to be of service to you.

Yours truly,

**A-R PARTNERS**  
Chartered Professional Accountants

This Agreement, including the Standard Terms and Conditions, is accepted:

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

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Print Name

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Signature

\_\_\_\_\_  
Date





## Appendix 1 – Standard Terms and Conditions

### 1. Overview and Interpretation

1.1 This Agreement sets forth the entire agreement between the parties in relation to the requested services and it supersedes all prior agreements, whether oral or written, with respect to such services. To the extent that any of the provisions of the accompanying letter conflict with these Standard Terms and Conditions, these Standard Terms and Conditions shall prevail. This Agreement may not be changed, modified, or waived in whole or part except by an instrument in writing signed by both parties.

1.2 In this agreement, the following words and expressions have the meanings set out below:

- This Agreement** – these Standard Terms and Conditions, the letter to which they are attached, and any supporting schedules or other appendices to the letter
- Services** – the services provided or to be provided under this Agreement
- We, us, our, ARP** – refer to A-R Partners
- You, your** – the party or parties contracting with ARP under this Agreement. You and your does not include ARP.
- Confidential Information** – information that contains identifying features that can be attributed to you

### 2. Respective Responsibilities

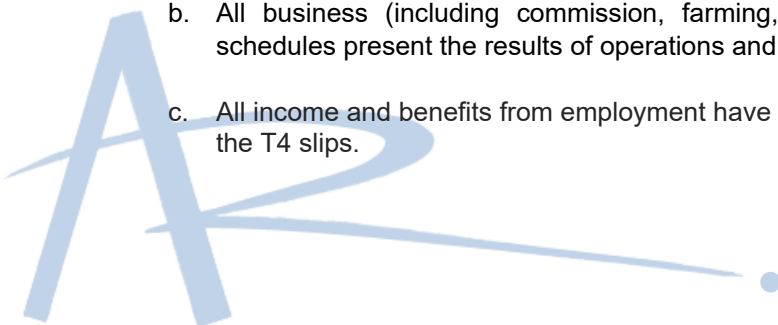
2.1 We will use reasonable efforts to complete, within any agreed-upon time frame, the performance of the work under this Agreement.

2.2 You shall be responsible for providing full and complete information on your worldwide income from all sources and on your assets held outside of Canada, and providing such information on a timely basis. We will not be responsible for any delays or other consequences arising from you not fulfilling your obligations. We generally require that all relevant information be supplied 21 days in advance of your tax return filing deadline.

2.3 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.

2.4 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:

- a. All sources of income have been disclosed, all deductions were incurred to earn income, and all credits claimed are supported by receipts.
- b. All business (including commission, farming, and professional incomes) and rental schedules present the results of operations and include all material transactions.
- c. All income and benefits from employment have been reported, whether or not they are on the T4 slips.





- d. All incomes from investment (whether received or not) have been reported, whether or not they are on the T3, T5 and T5008 slips.
- e. All dispositions of a capital nature, and their costs, have been reported.
- f. All estimates for personal use of automobile, business portion of residence, and other such estimates you have provided are reasonable and supported by usage logs and other evidence.

- 2.5 You are not aware of any illegal or possibly illegal acts for which you have not disclosed to us all facts related thereto.
- 2.6 You will keep all original documentation as required under the Income Tax Act. We will take no responsibility for maintaining copies of the documentation other than required to prepare your tax return.
- 2.7 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.
- 2.8 Your personal income tax return will include the following statement "Prepared without review or audit from information supplied by the taxpayer." along with our firm name identified as your tax return preparer.

### **3. Confidentiality**

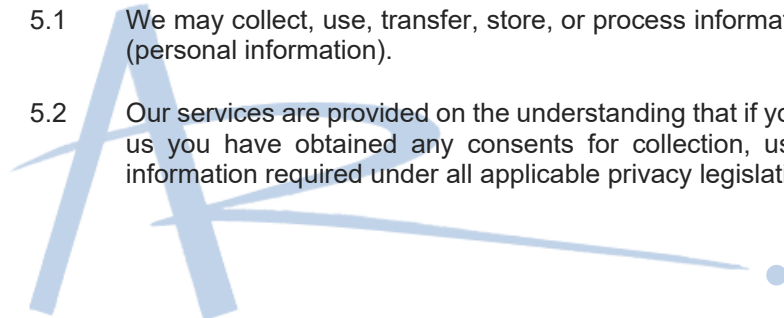
- 3.1 One of the underlying principles of the profession is a duty of confidentiality with respect to client affairs. Each professional accountant must preserve the confidentiality of all information that becomes known during the practice of the profession. Accordingly, we will not provide any third party with confidential information concerning your personal tax return unless:
  - We have been specifically authorized with prior consent;
  - We have been ordered or expressly authorized by law or by the Code of Professional Conduct/Code of Ethics; or
  - The information requested is (or enters into) the public domain.
- 3.2 We may give Confidential Information to other subcontractors assisting us in providing Services. Any party to whom we subcontract work will be required to keep Confidential Information confidential either by professional obligation or contract with us.

### **4. Professional and Regulatory Oversight**

- 4.1 As required by professional authorities and by ARP policy, our client files must periodically be reviewed by practice inspectors to ensure that we are adhering to professional standards. It is understood that by entering into this Agreement, you provide your consent to us providing our files relating to your engagement to the practice inspectors for the sole purpose of their inspection.

### **5. Privacy and Consents**

- 5.1 We may collect, use, transfer, store, or process information disclosed by you of a personal nature (personal information).
- 5.2 Our services are provided on the understanding that if you supply personal information of others to us you have obtained any consents for collection, use and disclosure to us of the personal information required under all applicable privacy legislation.





5.3 We will hold all personal information in compliance with our Privacy Statement.

## **6. Electronic Communications**

6.1 Both parties recognize and accept the security risks associated with email communications, including but not limited to the lack of security, unreliability of delivery and possible loss of confidentiality. Unless you request in writing that we do not communicate by using email or other electronic communications, you assume all responsibility and liability in respect of risk associated with its use.

6.2 By signing this agreement, you provide ARP with express consent to communicate with you electronically, including sending newsletters, publications, announcements, invitations and other news and alerts that may be of interest to you. You may withdraw such consent at any time by contacting ARP.

## **7. Limitation of Liability**

7.1 The liability of ARP to you for any claim related to professional services provided pursuant to this engagement letter in either contract, negligent misrepresentation or tort, including the partners, officers or employees of the accounting firm shall be strictly limited to the amount of any professional liability insurance the firm may have available at the time such claims are made. No claim shall be brought against the accounting firm in contract, negligent misrepresentation or tort more than three years (from date of Notice of Assessment) after the services were completed or terminated under this engagement.

## **8. Indemnity**

8.1 To the fullest extent permitted by applicable law and professional regulations, you agree to indemnify and hold harmless ARP from and against all losses, costs, damages, expenses, claims, demands or liabilities arising out of or in consequence of the services performed by ARP pursuant to this Agreement, 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 gross negligence of ARP.

8.2 We will use all reasonable efforts to complete the engagement as described in this letter within the agreed upon time frames. However, we shall not be liable for failures or delays in performance that arise from causes beyond our control, including the untimely performance by you of your obligations.

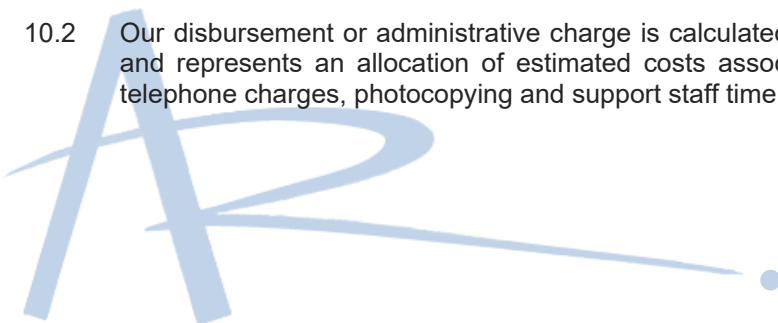
## **9. Termination**

9.1 Either party may terminate this agreement for any reason upon providing written notice to the other party. If early termination takes place, you shall be responsible for all time and expenses incurred up to the termination date.

## **10. Fees and Billings**

10.1 Our professional fees charged for the preparation of your personal tax return(s) will be based on our regular billing rates. We also will bill you for our out-of-pocket expenses, our internal administrative charges for certain support activities and applicable Goods and Services Tax.

10.2 Our disbursement or administrative charge is calculated as a percentage of our professional fee and represents an allocation of estimated costs associated with our technology infrastructure, telephone charges, photocopying and support staff time costs.



- 10.3 Invoices unpaid 30 days past the billing date may be deemed delinquent and are subject to an interest charge of 2.00% per month or 26.82% (APR) per annum. 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 legal fees.

## **11. Governing Laws**

- 11.1 The terms of this Agreement shall remain operative until amended, terminated, or superseded in writing. They shall be interpreted according to the laws of the Province of British Columbia.

## **12. Entire Agreement and Survival**

- 12.1 This Agreement sets forth the entire agreement between the parties with respect to the subject matter herein, superseding all prior agreements, negotiations or understandings, whether oral or written, with respect to such subject matter. It is understood that this Agreement will not be superseded by any contract with us for other specific services that are not of the same scope as the Services contemplated in this Agreement, unless the other contract explicitly references this Agreement and an intent to supersede it.
- 12.2 The provisions of this Agreement that give either of us rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement. Any clause that is meant to continue to apply after termination of this Agreement will do so.

## **13. Force Majeure**

- 13.1 We will not be liable for any delays or failures in performance or breach of contract due to events or circumstances beyond our reasonable control, including acts of God, war, acts by governments and regulators, acts of terrorism, accident, fire, flood or storm or civil disturbance.

## **14. Severability**

- 14.1 If a court or regulator with proper jurisdiction determines that a provision of this Agreement is invalid, then the provision will be interpreted in a way that is valid under applicable law or regulation. If any provision is invalid, the rest of this Agreement will remain effective.

