

## Engagement Agreement – Fiduciary Tax Returns

We are pleased to be able to serve you in preparing your **2023** federal and requested state income tax returns. This letter is to specify and confirm the terms of our engagement with you and to clarify the nature and extent of the services we will provide. Ethical guidelines and our professional liability insurance require this form to be completed- this is to your advantage.

WCG Inc. will prepare your **2023** federal and requested state income tax returns from information you will furnish us. We will not audit or otherwise verify the data you submit, although it may be necessary to ask you for clarification of the information provided through our required due diligence. We might furnish you an organizer and other worksheets to guide you in gathering the necessary information. Your use of an organizer and other worksheets will assist in keeping pertinent information from being overlooked.

The Fiduciary (Estates and Trusts, Form 1041) filing deadline is **Monday, April 15, 2024**. We will need all information at the earliest possible time but no later than **Monday, March 11, 2024** to reduce late filing penalties and interest which are your responsibility. We will need your efile authorization no later than **Monday, April 8, 2024**. This is in order to meet the tax return filing deadline.

### Data Integrity

It is your responsibility to provide all the information required for the preparation of complete, comprehensive and accurate tax returns. You should retain all the documents, cancelled checks, and other data that form the basis of income and deductions. These might be necessary to support the accuracy of the tax returns to a taxing authority. Current tax laws state that you have the final responsibility for the income tax returns. You therefore should review them carefully before signing them and/or approving efile authorization.

Our engagement cannot be relied upon to disclose errors, irregularities, or illegal acts, including fraud and defalcations, which might exist. We will perform accounting and bookkeeping assistance only as determined to be necessary for preparation of the income tax returns. In addition, we will use professional judgment in resolving questions where the tax law is unclear, or where there might be conflicts between the taxing authorities' interpretation of the law and other supportable positions. Unless otherwise instructed by you, we will resolve such issues with you and maintain client advocacy whenever possible.

### Extensions, Tax Payments

If an extension of time to file your tax return(s) is required, any tax that might be due with the tax return(s) must be paid with the extension. Any amounts not paid by the filing deadline are subject to interest and late payment penalties. All interest and late payment penalties are your responsibility, but we will assist in verifying the accuracy. This includes any additional fees for the extension as well as any penalties and/or interest that might be due because of the late payment.

Should a tax return extension be necessary because-

- required tax documentation and information is not received by the dates above, or
- the complexity of your tax return exceeds our resources during tax season (and discussed with you), or
- your authorization for electronic filing of your tax return is not timely received,

WCG Inc. shall prepare and electronically file all necessary tax return extensions on your behalf and notify you accordingly. Since failure to file penalties are severe, this authorization is an attempt to minimize associated penalties and interest. By accepting the engagement terms described in this letter **you authorize tax return extensions to be filed** on your behalf should it become necessary as described above.

All extended tax returns **will be prepared in August or September** provided we have everything we need from you. If you need them prepared sooner, please contact us. May, June and July are reserved for tax planning.

Tax law provides for various penalties that may be imposed when taxpayers understate their tax liability. If you would like information on the amount or the circumstances of these penalties, please contact us.

It is your responsibility to provide sufficient amounts of money to pay your taxes so that we can submit your tax returns in a timely manner on your behalf. You understand and acknowledge that you are solely responsible for defending any and all claims and paying any and all damages that might arise out of your failure to sufficiently fund your tax obligations in a timely manner; and/or your request that we delay submission of your tax returns beyond the due date for any reason whatsoever. Moreover, you agree to defend and indemnify WCG Inc. against any and all claims arising out of or related to any such circumstances.

### **Examination, Damages**

Your tax returns may be selected for review by the taxing authorities. Any proposed adjustments resulting from that review are subject to certain rights of appeal. In the event of such government review or tax examination, we will be available upon request to represent you. We may charge additional fees for the time and expenses incurred.

As additional consideration for us to provide you these services, you agree that the extent of our liability for damages to you for any actions taken will not exceed the total amount actually paid by you for our services. Unless a fraud claim is asserted, you agree that this will be your only remedy and you hereby waive any other claims you have now or in the future for actual, incidental, and consequential damages, including, but not limited to, lost profits and third-party claims.

Regardless of the location of your residence or trust / estate, the El Paso County District Court, the State of Colorado, or the appropriate federal district court having venue, will have jurisdiction over all controversies that might arise regarding this agreement.

### **Agreement**

It is agreed by us that there are no other agreements or understandings between us relating to the subject matter of this engagement agreement and that it supersedes all prior income tax return engagement agreements and the like, either written or oral, that exist or may have existed for the **2021** tax year. Neither this engagement agreement nor its execution have been induced by any reliance, representation, stipulation, warranty, agreement, or understanding of any kind other than those expressed in this agreement. No change or modification of this engagement agreement shall be valid unless made in writing and signed by the parties.

Either you or WCG Inc. may cancel this engagement at any time by any form of written or electronic notice. If you cancel and we have performed any work prior to our receiving your cancellation notice, you agree to pay us for such work performed based upon our current rate schedule. We may use any deposits or payments already received and apply them to your account.

### Fee Schedule

WCG Inc.'s fee for this engagement will be in accordance with our published fee schedule. Our fees have recently changed to align with the accounting industry standards. Please visit our Fee Page on our website (<https://wcginc.com/fee-structure>).

You might need a tax return "rushed" for various reasons. If we do not have substantially all the required information to prepare a tax return by our document cutoff date of **Monday, March 11, 2024** the following minimum rush fees based on complexity will apply-

- After Monday, March 11, \$500.
- After Monday, March 18, \$1,000.
- After Monday, March 25, Not available.

### Record Retention Policy

In accordance with WCG Inc.'s current record retention policy, we will retain our work papers and copies of your financial reports and other records for the engagement for three years unless specifically requested by you. We will provide you copies of all reports prepared that should be a part of your books and records. If you should need replacements, we will provide additional copies which might incur additional costs to you. All of your original records will be returned to you upon request only.

Physical deterioration or catastrophic events may shorten the term during which our records will be available. The work papers and files of our firm are not a substitute for your original records. It is agreed and understood that in connection with the performance of our engagement, the work papers prepared by us will remain property of WCG Inc.

### Privacy Policy

This is being furnished to you as required by the Gramm-Leach-Bliley act of 1999, which addresses in part the protection of individuals' privacy. This is the annual notice required by law.

WCG Inc. treats any information concerning our clients and former clients with strict confidentiality. Consistent with that policy, we restrict access to nonpublic personal information concerning you to staff members who have a business need to know and to provide you the services for which you have retained us. We do not disclose any personal or confidential information to anyone else without your express permission to do so, except as permitted or required by law. In addition, we maintain physical, electronic and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Thank you for permitting us to be of service. We value our relationship with you and hope you view us as your most trusted advisor. We will work to continue earning that trust.

**WCG Inc.**

The engagement terms described in this letter are acceptable and hereby are agreed to. We also agree to the record retention and privacy policies set forth in this letter. Accepted by:

\_\_\_\_\_  
Trust or Estate Name

\_\_\_\_\_  
Tax Matters Person Name      Relationship to Trust / Estate      Phone Number

\_\_\_\_\_  
Tax Matters Person Signature      Date

## Consent to Foreign Disclosure of Tax Return Information

WCG is utilizing KMK Ventures Private Limited (<https://www.kmkventures.com/>), a tax and accounting company in India with over 15 years of experience and 225 professionals including Chartered Accountants, to assist us with tax return preparation. Many well-known and highly visible accounting firms are offshoring tax return preparation and accounting services. This is partly because of the shortage of qualified accountants in the United States (read more at <https://wcginc.com/onboarding-modulation/>).

Our required disclosure reads-

Federal law requires this consent form be provided to you. Unless authorized by law, we cannot disclose your tax return information to third parties for purposes other than the preparation and filing of your tax return without your consent. If you consent to the disclosure of your tax return information, federal law may not protect your tax return information from further use or distribution.

You are not required to complete this form to engage our tax return preparation services. If we obtain your signature on this form by conditioning our tax return preparation services on your consent, your consent will not be valid.

This consent to disclose may result in your tax return information being disclosed to a tax return preparer located outside the United States, including your personally identifiable information such as your Social Security number (SSN). Both the tax return preparer in the United States that will disclose your SSN and the tax return preparer located outside the United States that will receive your SSN maintain an adequate data protection safeguard (as required by the regulations under 26 U.S.C. section 7216) to protect privacy and prevent unauthorized access of tax return information. If you consent to the disclosure of your tax return information, federal agencies may not be able to enforce United States laws that protect the privacy of your tax return information against a tax return preparer located outside of the United States to whom the information is disclosed.

The duration of this consent will be limited to **2023 tax return preparation only**, unless WCG, Inc. is notified in writing to no longer disclose your tax return information. If you approve the disclosure of your tax return information, including your SSN(s), to KMK Ventures Private Limited, for purposes of assisting in providing tax return preparation services please indicate below.

☐ I consent.

☐ I do not consent.

Should you not provide consent, please be advised that we have **limited resources** and your tax returns might require an extension. This is not a WCG problem, but rather a problem throughout the United States. Accounting is not a sexy career, and each year we have fewer accounting students leading to fewer accounting professionals. You can read more at <https://wcginc.com/onboarding-modulation/>

Thank you for permitting us to be of service. We value our relationship with you and hope you view us as your most trusted advisor. We will work to continue earning that trust.

**WCG Inc.**

\_\_\_\_\_  
Trust or Estate Name

\_\_\_\_\_  
Tax Matters Person Name                      Relationship to Trust / Estate                      Phone Number

\_\_\_\_\_  
Tax Matters Person Signature                      Date