

## **ENGAGEMENT LETTER**

We at Lindgren & Associates (Lindgren Tax & Accounting, Inc.) appreciate the opportunity to serve and advise you. This letter is to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom returns are prepared to confirm the following arrangements.

### **Service Guidelines**

Lindgren & Associates will perform all of our services within the guidelines of the federal and state tax code or other regulatory entities based only upon the information you furnish to us. We reserve the right to ask for additional documentation to support information that is being claimed. Even if we do not ask for additional documentation, you are still responsible for being able to provide the supporting documentation for items claimed in the event of a future audit.

### **Tax Preparation and Planning Services**

We will use professional judgment in resolving questions where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. Unless otherwise instructed by you in writing, we will resolve such questions in your favor whenever possible.

We will provide a complimentary review of any prior year income tax returns that we have not prepared, and inform you of any errors or omissions that we are aware of. With your permission, we will then prepare the amended return at an additional charge if it is necessary to claim additional refunds and/or minimize any penalties and interest you may be assessed as a result of owing additional taxes.

In the event we are providing you with additional tax advice and/or planning services, it is our recommendation that you obtain this information in the form of a signed formal tax planning letter. This is necessary to avoid any confusion and to make clear the specific nature of our advice. Any advice received through oral discussions, telephone calls, or email messages that has not been put into such a form cannot be considered official tax advice due to the inability to verify the source of the information and any references that may have been used.

Before signing your return we will review your tax return with you to go over the income, deductions, and credits. This review is necessary to determine that there are no omissions or misstatements and to clarify any questions or concerns you may have. All taxpayers are required to sign their own return, unless otherwise allowed by law. You have the final responsibility of the tax return, therefore signing of the return is your acceptance of the return being prepared correctly based upon the information provided to us.

### **Extensions**

As long as you have all the necessary information to us at least 10 business days before the filing deadline the likelihood of filing an extension will be reduced. If you already know you will need an extension or would like to request an extension for any reason we will file an extension at your request. At the time of filing your extension we will need all of the information to compute a reasonably accurate tax liability for the return that is due and to advise you if you should make an extension payment prior to your filing deadline, whether you file on that date or not. Failure to submit a payment before the extension deadline may result in penalties and interest if you owe taxes when your return is actually prepared.

### **Additional Services Provided**

We are able and available to provide representation before the state or federal government in the event of an audit for an additional charge. We can also provide accounting and bookkeeping assistance, payroll processing and report preparation services, tax planning and review, and notary services for an additional charge.

**INITIALS** \_\_\_\_\_

### **Services Not Provided**

Furthermore, we will not audit or otherwise verify all the data you submit to us, although it may be necessary to ask you for additional documentation or clarification of some of the information.

### **Information Needed From You**

We do have organizers and worksheets available to assist you with gathering all the information that is needed to complete your tax return. You are responsible for preparing or completing any organizers, worksheets, questions or concerns, and any other documents for your appointment that are necessary in the preparation of complete and accurate returns. By providing this information to us you are stating that this information is accurate and that you have any and all the supporting documentation necessary to support it. If we find that additional information is needed, we will contact you.

### **Errors, Omissions, Income Tax Audits, Adjustments, Interest, and Penalties**

We cannot be aware of all omissions, defalcations, or other irregularities, should any exist. Your returns may be selected for review by the taxing authorities for any reason. In the event you receive a tax adjustment or audit notice you should have it reviewed by a tax professional to confirm the accuracy of the adjustment before paying or signing off on the adjustments. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we are able and available to provide representation before the state or federal government in the event of an audit for an additional charge.

In the event that you or the tax preparer becomes aware of an error or omission on your tax return, and an amendment is necessary, we will prepare the appropriate amendments based upon the information and/or supporting documentation provided to us.

Any omissions or misstatements that are a result of you failing to provide us with all the accurate and meaningful information when your return was initially prepared will result in additional fees for preparing the amended returns. Additionally, you will be responsible for any additional tax liabilities, interest, and/or penalties. Any penalties and interest that are a result of us omitting or misstating information on your initial return based upon the initial information provided to us will be refunded by Lindgren & Associates for the initial amount charged by the tax authority. As the taxpayer, you will be responsible for any additional income taxes that result from an amendment or adjustment to your tax return.

Because there are inherent difficulties in recalling or preserving information as the period after engagement decreases, you agree that, notwithstanding the statute of limitations of the State of Minnesota, any claim based on this or any other engagement must be filed within 36 months after the performance of our service, unless you have previously provided us with a written notice of a specific defect in our services that forms the basis of a claim, and it is agreed that all disputes that arise in connection with our engagement that cannot be mutually resolved by us shall be submitted to binding arbitration under the rules and procedures of the American Arbitration Association.

### **Record Retention**

It is your responsibility to maintain all the information required for the preparation of complete and accurate returns. You should retain all the documents, logs, canceled checks, supporting documentation, and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority.

We are required to maintain your records for at least three calendar years if we have prepared them. As a taxpayer, it is recommended that you maintain at least seven years income tax returns and records. In some cases it may be necessary to maintain additional records.

**INITIALS** \_\_\_\_\_

**Our Fees**

Lindgren & Associates’ fee for our services is based upon several factors. Usually, the most important of these factors include time and labor involved, skill required to perform the services properly, forms being used, and any special circumstances imposed. Any estimates we may provide are based upon the information initially provided to us. Actual fees may vary as circumstances change or as new information is made available. We will make every reasonable effort to provide the services set forth at a reasonable fee.

Unless a formal agreement has been reached in advance, all fees and costs incurred to prepare your income returns or for other services that we provide are due and payable when these items are released from our office. You are personally responsible for the payment of your business returns should the business not pay for these. We reserve the right to hold the completed returns until your account is paid in full. Should your returns be released without full payment, a finance charge of 1.5% per month will be assessed on any amount not paid beginning 30 days after the initial billing date, and monthly thereafter when statements are issued each month until your account is brought current. Returned checks or non-sufficient funds will be charged a \$30.00 returned check and rebilling fee.

Either party may terminate this agreement upon advanced notice. Should this agreement be terminated prior to completing your returns, we will prepare a final billing showing the total fees incurred for services rendered. This amount will be due and payable upon presentation.

**Completion of Engagement**

Our engagement ends upon delivery of your income tax returns or other reports to you.

**Acceptance of Engagement**

Having read and fully understood the engagement letter and having been made aware of the Lindgren & Associates Privacy Policy, I/We agree to engage Lindgren & Associates in accordance with the terms indicated above and understand that the fees we are charged do not include auditing, review, or any other verification. If a business return is also being prepared, I/We declare that I/We have the authority to sign this engagement letter for my/our business. I/We understand the returns are to be prepared from information that I/We provide and that the final responsibility for a complete and accurate tax return rests with me/us. I/We understand that if non-reimbursed employee expenses were claimed, my/our employer will be willing to provide a written statement regarding these expenses. I/We declare that the forms and information I provided to Lindgren & Associates are to the best of my knowledge true, correct, and complete. It is also my/our responsibility to review and understand the information shown on the returns prior to signing and filing them.

Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_

Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Print Name: \_\_\_\_\_

## **Private Policy Notice**

### **What information do we collect?**

We at Lindgren & Associates collect nonpublic personal information about you from the following sources:

- Information obtained from our website, including your name and email address.
- Information we have received from you on an application, tax preparation worksheet, and other documents that we are provided with that are used in the preparation of your income tax return, bookkeeping records, payroll reports and records, financial statements, and other forms.
- Information about your transactions with us or others.
- Information we may receive from a consumer reporting agency.

### **What do we use your information for?**

Any of the information we collect may be used in the following ways:

- To perform services including, but not limited to, income tax preparation, income tax planning, bookkeeping, financial statement preparation, payroll processing, or payroll report preparation.
- To send out periodic emails, including newsletters and important reminders. If at any time you would like to unsubscribe from receiving future emails, we include an unsubscribe instructions with each email.
- Improve Customer Service

We will continue to adhere to the privacy policies and practices described in this notice if you become inactive.

### **How do we protect your information?**

We restrict access to your personal information to those employees who need to know that information to provide our products and services to you. We maintain physical, electronic, and procedural safeguards to guard your nonpublic information.

### **Do we disclose information to outside parties?**

We do not disclose any nonpublic personally identifiable information about you to anyone without your permission. This does not include trusted third parties who assist us in operating our website, conducting our business, or servicing you, so long as those parties agree to keep this information confidential, except as permitted by law. We may also release your information when we believe release is appropriate or necessary to comply with the law, enforce our policies, or protect ours or others rights, property, or safety.

### **Third Party Links**

We may include links to other third party websites from our website that can assist you. These websites have separate and independent privacy policies. We therefore have no responsibility or liability for the content and activities of these linked websites. Nonetheless, we seek to protect the integrity of our website and welcome any feedback about these websites.

### **Contacting Us**

If there are any questions regarding our privacy policy you may contact us using the information below:

Lindgren Tax & Accounting, Inc.  
Lindgren & Associates  
PO Box 757  
Lindstrom, MN 55045  
Phone: (651) 257-2152 Fax: (651) 257-4236  
Email: [lindgren.taxandaccounting@frontiernet.net](mailto:lindgren.taxandaccounting@frontiernet.net)  
Website: [www.lindgrentaxandaccounting.com](http://www.lindgrentaxandaccounting.com)

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