



*Partners in Your Success*

Dear Taxpayer:

We are pleased to confirm our understanding of the arrangements for the preparation of your **Form 114, Report of Foreign Bank and Financial Accounts**. This letter confirms the services you have asked Ensign CPA Group Inc. to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both our firm and you that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call us before you sign it.

We will prepare your Form Fin 114, Report of Foreign Bank and Financial Accounts, for the calendar year ending **December 31, 2022** from information you furnish us. We will not audit, review, compile or otherwise verify the data you submit, although we may ask you to clarify some of the information. We may furnish you with a questionnaire to help you gather and organize the necessary information for us, in order to keep our fee to a minimum.

It is your responsibility to carefully examine and approve your completed Form Fin 114 before signing the Form Fin 114a, Record of Authorization to Electronically File FBARs, for submission to the IRS. The Form Fin 114 is required to be electronically filed. This **return is due April 18** for the previous calendar year-end. Additionally, one extension will be available for a 6-month period ending on October 15. The extension for Form Fin 114 is automatic, meaning no actual extension needs to be filed to extend the return. **Failure to file the return on time may make you subject to various penalties.**

Our fees for preparation of Form 114 will be based in part upon the amount of time required at our standard rates for the personnel working on the engagement, plus out-of-pocket expenses. All invoices are due and payable upon presentation. We may invoice for services rendered on an interim basis prior to completion of the engagement.

We are responsible for preparing only the specific form for the specified reporting agencies listed in this letter. Any other required services, forms or other actions on our part require a separate engagement letter. In the absence of written communications from us documenting such services, our services will be limited to and governed by the terms of this engagement letter.

Our fee does not include responding to inquires or examination by governing authorities. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter. You agree to immediately notify us upon the receipt of any correspondence from any agency covered by this letter.

This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations, or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us.

If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that we incur, including legal fees, that are a result of attempts to protect any communication as privileged. In addition, your confidentiality privilege can be inadvertently waived if you discuss the contents of any privileged communication with a third party, such as a lending institution, a friend, or a business associate. We recommend that you contact us before releasing information to a third party.

It is our policy to keep records related to this engagement for seven years after which they are destroyed. However, we do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. Prior to each filing season we send client questionnaires to most of our clients as a convenience to assist them with gathering their foreign account information. If you move, please notify us or we will send the questionnaire to the address we used on your prior year's form.

New privacy laws have been established by the IRS and we are now prohibited from providing confidential information or copies to anyone other than you without your specific, written authorization. To comply with these regulations, we may provide all copies of all returns to you in a secure web portal. Your use of this portal must comply with our standards of use, and as owners of the portal we retain the right to limit and deny use of the portal for inappropriate purposes. Our portal is designed to be a temporary file storage and retrieval system and not used for permanent storage of data. Your access to files maintained on the portal will be terminated no later than 60 days after the files are uploaded to the portal. All confidential information sent to you or third parties (at your direction), as well as the portal will be password protected. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these devices during this engagement.

Billings become delinquent if not paid within 30 days of the invoice date and will be subject to a 1.5% finance charge per month. If billings are not paid within 90 days of the invoice date, at our election, we may stop all work at our discretion until your account is brought current, or we may withdraw from this engagement. You acknowledge and agree that we are not required to continue work in the event of your failure to pay on a timely basis for services rendered as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable to you for any damages that occur as a result of our ceasing to render services. Our services will conclude upon delivery of the completed income tax returns discussed above or upon our suspension of services or resignation from the engagement. If we elect to terminate our services for nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing Form 114. If you have any questions as to the type of records required, please ask us for advice in that regard.

In recognition of the relative risks and benefits of this agreement to both the client and the accounting firm, the client and the accounting firm agreed on the fair allocation of risk between them. As such, the client agrees, to the fullest extent permitted by law, to limit the liability of the accounting firm to the client for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the accounting firm to the client shall not exceed the accounting firm's total fee for services rendered under this agreement. The client and the accounting firm intend and agree that this limitation apply to any and all liability or cause of action against the accounting firm, however alleged or arising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring a claim against us for errors and omissions. The one-year period will begin upon the date of the tax professional's signature on the form covered by this engagement letter.

Our fees for these services will be based upon the amount of time required at our standard rates (adjusted for inflation), and any out-of-pocket expenses will be added to the invoice total. Out-of-pocket expenses, such as separate tax software charges, shipping and handling fees for paper returns, and/or returning original paper documents via mail, will be presented on a separate line of the current years invoice. All invoices are subject to change year to year and are payable upon receipt.

If the foregoing fairly sets forth your understanding, please sign the enclosed copy of this letter in the space indicated and return it to our office. However, if there are other tax returns you expect us to prepare, please inform us by noting so at the end of the return copy of this letter.

We want to express our appreciation for this opportunity to work with you.

Very truly yours,  
Ensign CPA Group, Inc.

*Todd Ensign*

*Todd P. Ensign, CPA  
President*

ACCEPTED:

\_\_\_\_\_  
[Taxpayer's Printed Name]

\_\_\_\_\_  
[Spouse's Printed Name, if applicable]

\_\_\_\_\_  
[Taxpayer's Signature]

\_\_\_\_\_  
[Spouse's Signature, if applicable]

\_\_\_\_\_  
[Date]

\_\_\_\_\_  
[Date]