

Dear Client(s),

This letter summarizes our understanding of our engagement with you for your 2024 personal income tax return and for your family members whose returns you have asked us to prepare. This letter also outlines the terms, nature, and scope of the tax services provided by Martin Henry CPA LLP (the “**firm**”) (the “**Engagement**”).

TAX SERVICES

We agree to perform the following tax services (the “**Services**”):

Preparation of your T1 income tax return (“**T1 Return**”) for the taxation period ending December 31, 2024, including preparation of any related tax filings required for you, and for minor children (if applicable).

RESPONSIBILITIES OF THE TAXPAYER

We will complete the Services based solely on information provided by you. You will provide all requested information necessary to complete the Services in 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. **It is your responsibility to ensure:**

- a) The accuracy of the information and completeness of the representations reflected in your tax 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*.
- b) 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 all sources of income have been disclosed, all deductions were incurred to earn income, and all credits claimed are supported by receipts.

And you further confirm, if applicable:

- All business (including commission, farming, and professional incomes) and rental schedules present the results of operations and include all material transactions.
 - All amounts earned from the sharing economy (AirBnB, VRBO, Uber, etc.) have been reported.
 - All income and benefits from employment have been reported whether or not they are on T4 or T4A slips.
 - All income earned from investments have been reported whether or not they are on T3 and T5 slips.
 - All dispositions of a capital nature and their costs have been reported, including the disposition of a principal residence.
 - All transactions related to digital currency have been reported.
 - All estimates for business use of automobile, business portion of residence, and other such estimates you have provided are reasonable and supported by usage logs and other evidence.
 - Any short-term rental properties that are non-compliant rental properties have been disclosed
- c) You are not aware of any illegal or possibly illegal acts for which you have not disclosed to us all facts related thereto.

You also agree to hold harmless and indemnify us from any penalty or costs arising pursuant to Section 163.2 of the *Income Tax Act* as a consequence of false or otherwise incorrect information supplied by you or your agents to us for the purpose of providing any taxation services to you, including but not limited to tax planning or the preparation and filing of the income tax return and related tax filings on your behalf.

- d) You are required to disclose whether or not you owned specified foreign property with an aggregate cost in excess of \$100,000 CAD at any time in 2024 (see further details in FOREIGN REPORTING below).

Further, 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.

FOREIGN REPORTING

The foreign property reporting rules require completion of an information statement that reports foreign property owned by Canadian residents at any time in the year. The Foreign Income Verification Statement (T1135) must be completed if you owned or held a beneficial interest in “specified foreign property” with an aggregate cost in excess of \$100,000 CAD. Specified foreign property includes:

1. Funds held outside of Canada (e.g., offshore bank account);
2. Tangible property situated outside Canada;
3. A share of a non-resident corporation (for example, Apple Inc. even if owned in a Canadian investment account);
4. An interest in a non-resident trust;
5. An interest in a partnership holding foreign property;
6. An interest or right with respect to a non-resident entity;
7. Indebtedness owed by a non-resident person;
8. Property which can be converted or exchanged into foreign property;
9. Digital currency

Excluded are:

1. Property used in carrying on an active business;
2. Shares of a non-resident corporation that is a foreign affiliate;
3. An interest in a non-resident trust acquired for no consideration;
4. Certain partnerships;
5. Personal use property such as a vacation property.
6. Mutual funds registered in Canada that contain foreign investments.

Substantial penalties exist for non-compliance.

The required forms must be filed by April 30, 2025, for the 2024 taxation year.

Please consider carefully and tick the applicable box:

I have assets subject to these rules **Yes** **No** **(you must tick one box)**

If yes, please provide a complete list and send it to us with your 2024 tax information. Please contact us if you have any questions.

OTHER TERMS OF THE ENGAGEMENT

Subject to taxpayer review and approval, we will carry out such bookkeeping as we find necessary prior to the preparation of the personal income tax return(s) and prepare any special reports as required. The taxpayer(s) will provide the information necessary to compile the returns/reports and will file them with appropriate authorities on a timely basis.

It should be noted that our accounting work in the area of GST/HST and other commodity taxes is limited to compile the personal income tax return(s). Accordingly, we may not detect situations where you are incorrectly collecting GST/HST or incorrectly claiming input tax credits. As you are aware, failure to properly account for GST/HST could result in you (or your family) becoming liable for tax, interest or penalties. These situations may also arise for provincial sales tax, custom duties, and excise taxes.

We will require you to sign a confirmation that you have reviewed the completed T1 Return and related tax filings, and that you authorize us to submit electronically, or in any other manner, the 2024 T1 Return and related tax filings to the taxation authority. We will also provide you with final copies of the T1 Return and related tax filings.

The T1 Return and related tax filings 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 related tax filings 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 and related tax filings. Any advice contained in the T1 Return and related tax filings 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.

The Services provided are solely for the taxation period ending December 31, 2024. Any services related to a prior or subsequent taxation year will not be within the scope of this Engagement. A separate engagement letter may be required.

FEES

Our professional fees will be based on our regular billing rates plus any direct out of pocket expenses and applicable GST. These fees are for the completion of the Services only and any services required further to the Services, such as discussions or correspondence with, or an audit by, the Canada Revenue Agency, will be billed separately and as arranged with you at that time.

The professional fees and expenses are payable upon delivery of the completed T1 Return and related tax filing to you. Interest at 1.5% per month (18% 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.

Employees may be eligible to receive a commission related to clients introduced to the firm.

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 a Code of Professional Conduct/Code of Ethics.

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 to us that you have obtained all consents that are 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.

THIRD-PARTY SERVICE PROVIDERS

We may from time to time, and depending on circumstances, use third-party service providers to assist in completing the agreed upon Services. In that regard, we may share confidential information with the service providers. You hereby authorize us to disclose your confidential information to such service providers retained by us.

CIVIL PENALTIES FOR THIRD PARTY MISREPRESENTATION

Penalties can be levied on any person involved with a tax planning, filing or valuation activity. The fine could apply to "culpable conduct": indifference, wilful, reckless, or wanton disregard of the law. It could also apply if a value estimate is incorrect by more than a "prescribed percentage," which is not defined. The onus of proof is on the Canada Revenue Agency, and a "good faith" defense is allowable.

What is unprecedented is that not only could the taxpayer be penalized, so could the taxpayer's advisors. Therefore, in order to engage us in preparation of your personal tax return(s), we require confirmation from you, and any other adult members of your family, that:

- a) No personal expenses have been included as deductions
- b) All income (including income from outside of Canada) has been reported to us
- c) No non-tax-deductible expenses have been included as deductions

TIME FRAME & TERMINATION

We will use all reasonable efforts to complete the Services 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 reasonable control, including any delays in the performance by you of your obligations.

Subject to compliance with applicable law and the provincial Code of Professional Conduct/Code of Ethics either party may terminate this Engagement at any time upon written notice of such termination to the other party not less than 30 calendar days before the effective date of termination. 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.

LIMITATION OF LIABILITY

You agree that any and all claims you may have against the firm (or its partners, agents and employees) arising out of all services provided to you by us, whether in contract, negligence, or otherwise known to the law, shall be regarded as one claim and any liability to you shall be limited to the amount of \$25,000

You expressly agree that any liability our firm may have to you shall not be joint and several with any other party, but shall be several, and limited to the percentage or degree of our fault in proportion to the fault or wrongdoing of all persons who contributed to the loss and only if your claim commences within 24 months of the date your company should have been aware of the potential claim. In addition, we will not be liable in any event for consequential, incidental, indirect, punitive, exemplary, aggravated or special damages, including any amount for loss of profit, data or goodwill, whether or not the likelihood of such loss or damage was contemplated.

You agree that our liability for all claims you may have or bring in connection with the professional services rendered arising out of our ancillary to this agreement shall absolutely cease to exist after a period of four (4) years from the date of:

- a) performance of this Engagement;
- b) the completion of the preparation of any tax filing with any government authority;
- c) suspension or abandonment of this engagement; or
- d) termination of our services pursuant to this agreement,

whichever shall occur first, regardless of whether you were aware of the potential for making a claim against us within that period. Following the expiration of the aforesaid period, you agree that neither you, your agents or assignees shall make any claim or bring any proceeding against us.

You agree that this engagement is restricted to the compilation of personal income tax return(s) and you further agree that you cannot hold the Firm, its partners, officers or employees liable for any other work performed directly or indirectly for the personal income tax return(s), its directors and officers for which a separate engagement letter has not been obtained.

If you have any questions about the contents of this letter, please call us. **If the services outlined are in accordance with your requirements and if the above terms are acceptable to you, please sign, along with all family members for whose tax return we will be preparing, this letter in the space provided and return it to us prior to our commencement of preparing your personal tax return(s).** Separate engagement letters may be returned if this would be easier to facilitate signatures.

We appreciate the opportunity of continuing to be of service to you (and your family) in the preparation of your personal income tax return(s).

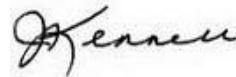
Yours truly,



John D. Martin, CPA, CA



Charlene M. Henry, CPA, CA



Julie Kennell, CPA, CA



Gurtag Bains, CPA, CA



Trevor Lee, CPA, CA, CPA (Illinois)



Gurpinder Thind, CPA




Thomas Marshall, CPA

1. We have read this letter and the services and terms as set out above are as agreed. As well, I acknowledge and accept my responsibilities as the taxpayer as outlined above.

Per: _____  SIGN HERE

Print name: _____ Date: _____
Family Member #1

2. We have read this letter and the services and terms as set out above are as agreed. As well, I acknowledge and accept my responsibilities as the taxpayer as outlined above.

Per: _____  SIGN HERE

Print name: _____ Date: _____
Family Member #2

3. We have read this letter and the services and terms as set out above are as agreed. As well, I acknowledge and accept my responsibilities as the taxpayer as outlined above.

Per: _____  SIGN HERE

Print name: _____ Date: _____
Family Member #3

4. We have read this letter and the services and terms as set out above are as agreed. As well, I acknowledge and accept my responsibilities as the taxpayer as outlined above.

Per: _____  SIGN HERE

Print name: _____ Date: _____
Family Member #4