February 15, 2017

**T1 ENGAGEMENT LETTER**

This letter sets out the basis of our engagement with you to prepare personal tax returns for you (and your family as applicable) for 2016. *Please read it carefully.*

We appreciate the opportunity of working with you and advising you regarding your income tax. The Canada Revenue Agency (CRA) imposes penalties upon taxpayers, and upon us as return preparers, for failure to observe due care in reporting for income tax returns. In order to ensure an understanding of our mutual responsibilities, we ask all clients for whom we prepare tax returns to confirm the following points.

- We will prepare your 2016 Federal and provincial income tax returns (if applicable) from information that you will furnish to us. We do not audit or verify the data you submit. We may need to ask you for clarification of some of the information. We will furnish you with questionnaires and/or worksheets to guide you in gathering the necessary information for us.

- It is your responsibility to provide us with complete information required for the preparation of complete and accurate returns. You must retain all the documents, cancelled cheques and other data that form the basis of income and deductions. These are necessary to prove the accuracy and completeness of the returns to CRA. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

- Our work in connection with the preparation of your income tax returns does not include any procedures designed to discover defalcations or other irregularities, should any exist. We will render such accounting and bookkeeping assistance as we find necessary for preparation of the income tax returns.

- We will use our 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, we will resolve such questions in your favour wherever possible.

- You are responsible for providing information in regards to foreign property, including investment portfolios with U.S. and other International holdings, owned by you at any time during the year. There are substantial fines and penalties for non-compliance.

- Starting with the 2016 personal tax returns, you are required to report all sales of real estate, including your principal residence, regardless of whether the resulting gain is taxable or not. Consequently, we may ask you for information regarding your sale which we previously would not have needed.

- During the course of our engagement, we may be required to communicate with you electronically by email or through the internet. In some instances, copies of financial or tax information may be sent to you electronically. As you know, there is a security risk attached to these electronic transmissions. Please let us know if you have any concerns with respect to this e-communication.

- The law provides serious penalties that may be imposed when taxpayers understate their tax liability. If you would like such information on the amounts or circumstances of these penalties, please contact us.
Your returns may be selected for review by CRA. Any proposed adjustments by CRA are subject to certain rights of appeal. In the event of such government tax examination, we will be available, upon request, to represent you and will render additional invoices for the time and expenses incurred.

Our fee for these services will be based on the amount of time required at our standard billing rates, plus out-of-pocket expenses and GST/HST. All invoices are due and payable upon presentation.

We do not provide U.S. tax services. If you are a U.S. citizen or green card holder, are carrying on business or rental operations in the U.S., or have sold U.S. real estate during the year, please let us know and we will refer you to someone locally who is qualified to help you with your US obligation.

Before we e-file your tax return, we are required to get your signatures on a T183 Information Return for Electronic Filing of an Individual’s Income Tax and Benefit Return.

We are subject to the Privacy Act and you can review the privacy related document on our website www.cwscpa.ca. We are proceeding on the basis that we have your consent to collect, use and disclose personal information for purposes of preparing your tax return(s).

If the foregoing fairly sets forth your understanding, please sign this letter below, have each person for whom we are preparing a tax return sign it below, and return it with your 2016 personal income tax information and questionnaire.

Sincerely,
CARDY WINTERS & SIMON LLP
Chartered Professional Accountants, Licensed Public Accountants

A signed engagement letter is required before we commence work on your 2016 return(s).

I (we) have read and agree with the terms included herein,