

## SHEER AND COMPANY

### ENGAGEMENT LETTER TERMS AND CONDITIONS

The following terms and conditions are an integral part of the attached engagement letter and should be read in their entirety in conjunction with your review of the letter.

#### *Tax Return Responsibilities*

Management of the Company is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. The Company will furnish us with all the information required for preparing the returns. We are not required under professional standards to, nor will we, audit or verify the data you submit to us, although we may ask you to clarify it or furnish us with additional data. Because you have final responsibility for the returns, you should review them carefully before you sign and file them, and send tax reporting information, if required, to the shareholders.

Management of the Company is responsible for maintaining proper records in accordance with tax laws to substantiate all items of income and deductions you provide to us for the preparation of tax returns. These include, but are not limited to, charitable contribution substantiation, records required under IRC Section 274 to support travel, entertainment, gifts, and related expenses, and documentation required under IRC Section 482 transfer pricing regulations. If you have any questions as to the type of records required, please ask us for advice in that regard.

Management is responsible for the Company's income tax provision, if applicable, and the analysis of uncertain income tax positions. This responsibility includes establishing and maintaining adequate records and effective internal controls over financial reporting, and reviewing and approving (if applicable) the income tax provision and related disclosures prepared with our assistance.

Our work, in connection with the preparation of your income tax returns and other tax services identified in the engagement letter, does not include any procedures designed to discover fraud, defalcations, or other irregularities, should any exist. We will render such accounting and bookkeeping assistance only as is necessary for preparation of the income tax returns.

Sheer and Company will rely on you to provide information and representations to us in the performance of our professional services and in consideration of the fees that we will charge. Because we will be relying on your representations, you agree to indemnify Sheer and Company and its partners and employees, and hold them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been a known misrepresentation by you, your employee or your agent, regardless of whether such employee or agent was acting in the Company's interest, and *even if the Firm acted negligently or wrongfully in failing to uncover or detect such misrepresentation*. This indemnification will survive termination of this letter.

#### *Professional Standards*

The services under this agreement will be provided in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants.

#### *Substantial Authority Penalty Standard*

The Emergency Economic Stabilization Act of 2008 equalized the tax return preparer penalty standard to your standard as a taxpayer at "substantial authority" for undisclosed tax return positions. The "substantial authority" standard is generally interpreted as having a 40% chance of being sustained on its merits. We will advise you to disclose any tax return position that we believe does not meet the substantial authority standard. In the event that we advise you to disclose a tax return position that, in our professional judgment, will not meet the "substantial authority" standard and you refuse to disclose the position, we reserve the right to stop work and shall not be liable to the Company for any damages that occur as a result of ceasing to render services. You will be responsible for any charges incurred through the date we stop work on the Company's tax return.

### ***Tax Return Matters***

We will use our professional judgment in preparing tax returns and providing other tax services identified in the engagement letter. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts) we will explain the possible positions that may be taken on the tax return. We will follow the position you request on the return so long as it is consistent with tax codes and regulations and interpretations that have been promulgated, including the tax return preparer standards as outlined above. If the Internal Revenue Service or other taxing authority should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments.

The law provides for penalties to be imposed when taxpayers make a substantial understatement of their tax liability. If you would like information on the amount or circumstances of these penalties, or how they relate to the tax return preparer penalties, please contact us.

This engagement does not include responding to government inquiries, notices, or examinations. In the event of a government audit or examination, we highly recommend that you consult with us prior to responding to the taxing authority. Any proposed adjustments by an examining agent are subject to certain rights of appeal. We will be available upon request to represent you in such matters and will render invoices for the professional services and expenses incurred under our customary billing practices.

A taxpayer may authorize the Internal Revenue Service and state taxing authorities to discuss the taxpayer's tax return with the CPA who signed the return as the "preparer." With this authorization, the tax return preparer may (1) provide information that may be missing from your return, (2) call to inquire on the processing of your return or the status of a refund, (3) respond to notices relating to mathematical errors, offsets, and return preparation. As a business practice, we routinely check the "yes" box in the signature area of the tax return that makes an irrevocable election to grant this authority for that specific tax return. The authorization is valid for one year after the due date for filing the tax return. If you do not wish to grant this authority, please notify us.

### ***Foreign, State, and Local Tax Filings and Credits***

The Company is responsible for providing us the information necessary to prepare the international, state, and local tax forms or returns as outlined above in the Summary of Services. If we are aware that the Company has an international, state, or local tax form or return filing requirement that it is not currently fulfilling, we will make reasonable attempts to alert you. However, unless we are specifically engaged to do so, we will not perform any nexus or other similar study to determine international, state, or local tax form or return filing requirements that the Company may have.

The Company maintains sole responsibility for meeting any foreign country tax or reporting requirements. Sheer and Company will not assist in fulfilling these requirements unless specifically engaged.

Please note that if the Company has a tax filing requirement in a given foreign, state, or local jurisdiction but does not file the required tax return, it is possible that the non-filing could have adverse ramifications. If you would like more information on this matter, please let us know.

The Company maintains sole responsibility for meeting state or local requirements for reporting unclaimed property. Sheer and Company will not assist in fulfilling these requirements unless specifically engaged.

The Company is responsible for providing us with the information necessary to identify applicable federal and state tax credits. If we are aware that the Company may qualify for an income or franchise tax credit that it is not currently claiming, we will make reasonable attempts to alert you. However, unless we are specifically engaged to do so, we will not perform a detailed analysis of credits for which the Company is eligible but is not currently claiming.

### ***Foreign Bank Account Reporting and Foreign Financial Asset Disclosure***

Any person or entity subject to the jurisdiction of the U.S. having a financial interest in or signature or other authority over, a bank, securities or other financial account(s) in a foreign country having an aggregate value exceeding \$10,000, shall report such relationship. Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties. In addition, the 2010 Hiring Incentives to Restore Employment Act ("HIRE Act") requires individuals with interests in specified foreign

financial assets with an aggregate value greater than \$50,000 to disclose information with respect to each asset via an income tax return attachment.

Failure to disclose the required information may result in substantial penalties and unfavorable extensions of the statute of limitations. If you or the Company have a financial interest in any foreign account(s) or an interest in any specified foreign financial assets, you are responsible for providing our Firm all information necessary to prepare any applicable informational returns or disclosures required by the U. S. Department of the Treasury under Foreign Bank Account Reporting regulations and/or the HIRE Act. If you do not provide our Firm with such information in a timely manner at least 30 days prior to the due date, we will not prepare any of the required disclosure statements and we will not be responsible for any penalties that may be assessed.

#### ***Listed and Reportable Transaction Disclosure***

The regulations under IRC Section 6662 require the disclosure of listed and reportable transactions, including "tax shelters." Failure to disclose the required information may result in severe penalties. If the Company has entered into any business arrangements that would require disclosure under Reg. Section 1.6011 or IRC Section 6662, you are responsible for providing our Firm all information necessary to prepare any applicable tax return disclosures. If you do not provide our Firm with such information, we will not prepare any required disclosure statement(s), nor will we be responsible for any penalties that may be assessed.

#### ***Investment Advice***

Unless otherwise specifically agreed to, our advice concerning a particular investment shall be limited to advising the Company with regard to the tax ramifications of the investment. It shall not include advising the Company regarding the economic viability or consequences of the investment or whether or not the Company should make the investment. Our advice regarding the tax ramifications of the investment shall be based on the documents and information that you provide us regarding the investment. It is specifically understood and agreed that we will not undertake any independent due diligence investigation regarding the investment and that we may rely on the accuracy of the documents and information that you provide us in rendering our opinion about the tax ramifications of the investment.

#### ***Confidentiality and Access to Working Papers***

We are required by professional standards and federal law to keep all information about our engagement confidential, so we will not disclose any information about the Company unless we have your approval through written consent or are required/permitted by law. This applies even if the Company is no longer a client.

The working papers and related documentation for this engagement are the property of Sheer and Company and constitute confidential information. Any requests for access to our working papers will be discussed with you prior to making them available to requesting parties.

#### ***Third-Party Service Provider***

In the normal course of business, we may on occasion use the services of an independent contractor or a temporary or loaned employee, all of whom may be considered a third-party service provider. On these occasions, we remain responsible for the adequate oversight of all services performed by the third-party service provider and for ensuring that all services are performed with professional competence and due professional care. We will adequately plan and supervise the services provided by the third-party service provider; obtain sufficient relevant data to support his or her work product; and review compliance with technical standards applicable to the professional services rendered. We will enter into a contractual agreement with the third-party service provider to maintain the confidentiality of information and be reasonably assured that the third-party service provider has appropriate procedures in place to prevent the unauthorized release of confidential information to others.

In the event we intend to utilize third parties who will provide services that involve substantive determination or advice affecting your tax liability, we will request your prior approval through a separate written consent.

#### ***CPA - Client Privilege***

Federal law and state law, where applicable, have extended the attorney-client privilege to some, but not all, communications between a client and the client's CPA. The privilege applies only to non-criminal tax matters that are before the Internal Revenue Service or brought by or against the U.S. Government in a federal court. The communications must be made in connection with tax advice. Communications solely concerning the preparation of a tax return will not be privileged.

Taking advantage of privilege requires specific and deliberate actions on our part, including the creation of separate engagement letters, billing records, and files with restricted access. As a general business practice, we will not incur the significant additional costs to execute these actions to preserve privilege for communications that would otherwise qualify, unless you specifically request us to do so.

When we are requested to take actions to preserve privilege for communications with the Company, such confidentiality privilege can be inadvertently waived if you, or another representative of the Company, discuss the contents of our communications with a third party, such as a lending institution, a friend, or a business associate. We recommend that you contact your legal counsel before releasing any privileged information to a third party.

If we are asked to disclose any privileged communication, unless we are required or permitted to disclose the communication by law, we will not provide such disclosure until the Company has had the opportunity to argue that the communication is privileged. The Company agrees to pay any and all reasonable expenses that we incur, including legal fees, that are a result of our attempts to protect any communication as privileged.

### ***Electronic Transmittals***

During the course of our engagement, we may need to electronically transmit confidential information to each other, within the Firm, and to other entities engaged by either party. Although email is an efficient way to communicate, it is not always a secure means of communication and thus, confidentiality may be compromised. You agree to the use of email and other electronic methods to transmit and receive information, including confidential information between the Firm, the Company, and other third party providers utilized by either party in connection with the engagement.

### ***Subpoenas***

In the event we are requested or authorized by you or required by governmental regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement with the Company, the Company will, so long as we are not a party to the proceeding in which the information is sought, reimburse us at standard billing rates for our professional time and expense, as well as the fees and expenses of our counsel, incurred in responding to such a request.

### ***Record Retention***

It is the Company's responsibility to retain all the documents, receipts, canceled checks, and other data that form the basis of income and deductions reported in the tax returns. As a business practice, we do not regularly make copies for our files of all client documents when preparing tax returns. Your original records will be returned to you at the end of this engagement. Because our working papers and files are not a substitute for the original records, you should store them in a secure place.

We are committed to the safekeeping of the Company's confidential information, and we maintain physical, electronic, and procedural safeguards to protect your information. In general, it is our Firm's policy to keep copies of tax returns, working papers and other records related to this engagement for no more than seven years from the date we issue your tax returns.

### ***Disputes Resolution Procedures***

If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement, either party may, on written notice to the other party, request that the matter be mediated. Such mediation would be conducted by a mediator appointed by and pursuant to the rules of the American Arbitration Association (AAA) or such other neutral facilitator acceptable to both parties. Both parties would exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute, controversy, or claim.

***Terms and Conditions Supporting Fee***

Our fees are based on tax law effective as of the date of this engagement letter and known to apply to the Company at this time, but do not include any time related to the application of new tax law that impacts the Company for the first time. If new tax laws are issued subsequent to the date of this letter and are effective for the tax year referred to above, we will estimate the impact of any such laws on the nature, timing, and extent of our planned tax services and will communicate with you concerning the scope of the additional work and estimated fees.

The Company agrees to pay all costs of collection (including reasonable attorneys' fees) that the Firm may incur in connection with the collection of unpaid invoices. In the event of nonpayment of any invoice rendered by us, we retain the right to (a) suspend the performance of our services, (b) change the payment conditions under the engagement letter, or (c) terminate our services. If we elect to suspend our services, such services will not be resumed until your account is paid. If we elect to terminate our services for nonpayment, the Company will be obligated to compensate us for all time expended and reimburse us for all expenses through the date of termination.

FOR INFORMATION PURPOSES ONLY. NO SIGNATURE REQUIRED.