



JC Professional Corporation

*"Authorized to practice public accounting
by the Chartered Professional Accountants
of Ontario"*

DeRose Barristers & Solicitors
314-1280 Finch Ave. W.
Toronto, ON
M3J3K6

Tel: 416-663-5032
Fax: 416-663-2284
jerry@jcprofessional.com
www.jcprofessional.com

Re: Engagement letter

JC Professional is pleased to have been engaged by you. This letter summarizes the Firm's understanding of our engagement. This letter also outlines the terms, nature, and scope of the tax consulting services we will be providing (the "Engagement").

Tax Consulting Services

We agree to perform the following tax consulting services:

We will complete the agreed upon Services based solely on information provided by company's management. Management 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 management 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 management so that management can confirm that these assumptions are valid. Management also recognizes that the tax advice provided may not be accurate if the facts and assumptions used do not correspond to facts and events that arise in the future. Where such differences exist, we strongly recommend engaging us to review whether the advice provided is still valid.

We will not audit, review, or otherwise verify the accuracy of this information. While we will review the Report with management, it is their responsibility to ensure the accuracy and completeness of the information therein. It is management's 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 review the Report with management when the assignment is completed. Any additional services to be provided on completion will be agreed to in a separate engagement letter.

The Report will be based on the applicable statutes, treaties, regulations and Canadian judicial and administrative interpretation in effect as of the date of the Report, and will take into account any proposal to amend applicable statutes, treaties or regulations prior to the date of the Report (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 Report. Any advice contained in the Report 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.

Use and Distribution of the Report

Our Services and Report are intended for the internal use of the company and those to whom the Report is specifically addressed by us. We make no representations or warranties of any kind to any third party in respect of the Services or the Report, and we accept no responsibility for their use by any third party or any liability to anyone other than the company and any other express addressee of the Report.

The Report should not be relied upon by any third party for any purpose, without our prior written consent.

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 the affairs of the company without the company's prior consent, unless required or expressly authorized to do so by law, court order, professional or regulatory authority or by the *Code of Professional Conduct/Code of Ethics*, as applicable in Not set. Further, in order to complete our Engagement, we will require access to certain

information about identified individuals (“personal information”). 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 under applicable privacy legislation and professional regulation. We will manage all personal information in compliance with our [*firm*’s] Privacy Statement.

Certain federal, provincial and foreign laws and/or regulations require taxpayers, advisors and other persons to disclose to a tax authority information in respect of certain transactions or other matters. These laws and regulations may require a disclosure to be made by the Firm. By signing this Engagement letter, you agree that you will cooperate with the Firm with respect to assessing the need to and/or making any required disclosure by either party. You will provide to the Firm (or instruct to be provided to the Firm) any planning memorandum, instruction or other document prepared by you or by the any other advisor that relates to any matter relating to the Engagement contemplated herein. If we believe the Firm is required to make such a disclosure, we will make the disclosure. Such disclosure will include all information required by law to be reported, which may include confidential information. Where either you are or the Firm is required to make such a disclosure, the part, where practicable, will share that disclosure with the other party before it is made to the relevant tax authority.

In order to complete the Engagement, we will require access to certain information about identified individuals (“personal information”). You hereby represent to the Firm that you have obtained all consents that are required for the Firm’s collection, use, disclosure, storage, transfer and process of personal information under applicable privacy legislation and professional regulation. The Firm will manage all personal information in compliance with the 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 the company 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 confidential information of the company to such service providers retained by us.

Indemnity

To the fullest extent permitted by applicable law and professional regulations, the company agrees to indemnify, defend and hold harmless our *firm* (and its *partners*, employees and agents) from and against all losses, costs (including solicitor’s fees), damages, expenses, claims, demands and liabilities (“Losses”) arising out of or in consequence of a third party claim due to:

- (a) a misrepresentation by a member of your management or board of directors, or
- (b) the Services, unless and to the extent that such Losses are found by a court of competent jurisdiction to have been due to our gross negligence or intentional misconduct.

Time Frame

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 of its obligations.

Termination

Subject to compliance with applicable law and the *Code of Professional Conduct/Code of Ethics*, as applicable in Not set, either party may terminate this Engagement at any time upon written notice of such termination to the other party [*not less than <@> 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 Use and Distribution of our Report, Indemnity and Billing.

General

This Engagement will be subject to and governed by the laws of Not set. Any disputes arising from this Engagement shall be subject to the exclusive jurisdiction of the courts of Not set. You agree that any dispute that may arise regarding the Services or the meaning or performance or enforcement of this letter will, prior to resorting to litigation, be submitted to mediation.

This letter forms the entire agreement that will govern the Engagement. The terms and conditions of this letter supersede any prior oral or written representations or commitments by or between the parties. Any changes or additions to the terms or conditions set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by both of the parties.

Conclusion

We would be pleased to discuss the contents of this letter with you at any time, particularly if your requirements change, and to explain the reasons for any items. If the above terms are acceptable to you, and the Services outlined are in accordance with the company's requirements, please sign the copy of the letter in the space provided and return it to us.

We appreciate the opportunity to be of service to you.

Yours truly,



Jerry J. Copuroglu, CPA,CFE,TEP