

DALE R. DEMARCO
RICHARD F. WACHTER
STEPHEN J. BARR
JAMES E. BARR

GEORGE F. WACHTER (2011)
DONALD R. ADAMS (2015)
DOUGLAS J. YEAGER (1981)

RE: 2018 Individual Tax Return Preparation Engagement Letter

Dear Valued Client:

We are pleased to confirm and specify the terms of our engagement with you and to clarify the nature and extent of the services we will provide regarding the preparation of your income tax return(s).

We will prepare your 2018 joint (or individual, if applicable) federal income tax return, and income tax returns for the state and local taxing authorities in which you deemed yourself a resident in 2018 (collectively, the "returns"). This engagement pertains only to the 2018 tax year, and our responsibilities do not include preparation of any other tax return years that may be due to any taxing authority. We are responsible for preparing only the returns referenced above. If you have taxable activity in a state or local municipality other than that referenced, you are responsible for providing our firm with all the information necessary to prepare any additional applicable state and local income tax returns as well as informing us of the applicable states and local municipalities. If you have income tax filing requirements in a given state or local municipality but do not file that return, there could be possible adverse ramifications such as an unlimited statute of limitations, penalties, etc.

Our engagement will be complete upon delivery of the completed returns to you. Therefore, you will be solely responsible to file the returns with the appropriate taxing authorities.

The law provides various penalties that may be imposed when taxpayers understate their tax liability. You acknowledge that any such understated tax, and any imposed interest and penalty thereon, are your responsibility, and that we have no responsibility in that regard. If you would like information on the amount or the circumstances of these interest and penalties, please contact us. Your returns may be selected for review by the taxing authorities or you may receive a notice requesting a response to certain issues on your tax return. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination or inquiry, we will be available upon request to represent you or respond to such inquiry. At that time, we will provide you a subsequent engagement letter to clarify the nature and extent of services we will provide regarding the tax examination or inquiry response and will render additional invoices for these services and expenses incurred.

We will prepare the returns from information which you will furnish to us. It is your responsibility to provide all the information required for the preparation of complete and accurate returns. As part of this engagement letter, we have attached a tax questionnaire. This tax questionnaire must be completed in its entirety and signed by you and your spouse (if applicable). If requested by you, we will furnish you with a tax organizer and/or worksheets as needed to guide you in

gathering the necessary information. Your use of such forms will assist us in keeping your fee to a minimum. To the extent we render any services, it will be limited to those tasks we deem necessary for the preparation of the returns only. Any accounting and/or bookkeeping services will be considered "out of scope" of this engagement letter. Prior to the commencement of "out of scope" services, we will discuss with you the nature and extent of the work and provide you with a subsequent engagement letter that clarifies these services.

The timeliness of your cooperation is essential to our ability to complete this engagement. Specifically, we must receive sufficient information from which to prepare your returns within a reasonable period of time prior to the applicable filing deadline. Accordingly, if we do not receive this information from you, as noted above, by **March 31, 2019**, it may be necessary for us to pursue extensions of the due date of your returns, and we reserve the right to suspend our services or withdraw from this engagement. Various penalties and interest are imposed when taxpayers fail to pay the full amount of taxes owed by the filing due date. Furthermore, additional penalties and interest are imposed when taxpayers fail to remit the proper amount of subsequent year tax estimates. Based on information you have provided to us, we can assist you in determining the correct amount of taxes owed for the current year and subsequent year tax estimates. You acknowledge that any such penalties and interest that arise due to the underestimation of current year taxes owed or subsequent year tax estimates remitted are your responsibility, and that we have no responsibility in that regard. If you would like information on the amounts or the circumstances of these penalties and interest, please contact us.

We will not audit or otherwise verify the data you submit. Accordingly, our engagement cannot be relied upon to disclose errors, fraud, or other illegal acts that may exist. However, it may be necessary to ask you for clarification of some of the information you provide, and we will inform you of any material errors, fraud or other illegal acts that come to our attention.

You are responsible for maintaining an adequate and efficient accounting system, for safeguarding assets, for authorizing transactions, and for retaining supporting documentation for those transactions, all of which will, among other things, help assure the preparation of proper returns. Furthermore, you are responsible to review all of the information presented on your tax return for correctness.

We may encounter instances where the tax law is unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. In those instances, we will outline in a written communication each of the reasonable alternative courses of action, including the risks and consequences of each such alternative. In the end, we will adopt, on your behalf the alternative which you select after having considered the information provided by us. Pursuant to new standards prescribed in IRS Circular 230 and IRC 6694, we are forbidden from signing a tax return unless we have a reasonable belief that a tax position taken on the return will have a more likely than not probability of being sustained on its merits unless we disclose this tax position on a separate attachment to the tax return. However, under no circumstances may we sign a tax return with a tax position that has no reasonable basis.

Our fees for this engagement are not contingent on the results of our service. Rather, our fees for this engagement will be based on a number of factors including, but not limited to, the time spent as well as the complexity of the services we will perform. In addition, you agree to reimburse us for any out of pocket costs incurred in connection with the performance of our services.

Our fees and costs will be billed monthly, and are payable upon receipt. Invoices unpaid 30 days past the billing date may be deemed delinquent, and are subject to an interest charge of 1% per month. 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 us, you agree to reimburse us for the costs of collection including attorneys' fees.

If we elect to terminate our services, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed your return. You will be obligated, through the date of termination, to compensate us for all outstanding invoices as well as our final invoice, and to reimburse us for our entire out of pocket costs. For these purposes, any nonpayment, inability to sign the tax return, or non-response by you of information requested (among other things) will constitute a basis for our election to terminate our services.

You should retain all the documents, canceled checks and other data that form the basis of income and deductions. These may be necessary to prove the accuracy and completeness of the returns to a taxing authority. You have the final responsibility for the income tax returns and, therefore, you should review them carefully before you sign them.

It is our policy to retain engagement documentation for a period of seven years (five years for former clients), after which time we will commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement, those documents will be returned to you promptly upon completion of the engagement.

If the income tax returns we are to prepare in connection with this engagement are joint returns, and because you will each sign those returns, each of you our clients. You each acknowledge that there is no expectation of privacy from the other concerning our services in connection with this engagement, and we are at liberty to share with either of you, without the prior consent of the other, any and all documents and other information concerning preparation of your returns.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us, as set forth above, for the time we expend in connection with such response, and to reimburse us for all of our out of pocket costs incurred in that regard.

In the event that we become obligated to pay any judgment or similar award, you agree to pay any amount in settlement, and any costs incurred as a result of any inaccurate or incomplete information that you provided to us during the course of this engagement. You agree to indemnify us, defend us, and hold us harmless against such obligations, agreements, and/or costs.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that you will engage in the mediation process in good faith once a written request to mediate has been given by either party to the engagement. Any mediation initiated as a result of this engagement shall be administered by a law firm specializing in the mediation process, not associated with either party, and selected by us, according to its mediation rules. Any ensuing litigation shall be conducted within the County of Erie, Pennsylvania, according to Pennsylvania law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within one year from the completion of the engagement, notwithstanding any statutory provision to the contrary. In the event of litigation brought against us, any judgment you obtain shall be limited in amount, and shall not exceed the amount of the fee charged by us, and paid by you, for the services set forth in this engagement letter.

This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

If, after full consideration and consultation with counsel if so desired, you agree to authorize us to prepare your personal income tax returns pursuant to the terms set forth above, please execute this letter on the line(s) below designated for your signature(s), and return the this executed letter to this office along with a completed copy of the tax questionnaire and the supporting documentation requested therein. You should keep a copy of this fully executed letter and tax questionnaire for your records. If this firm does not receive from you this letter and the tax questionnaire, in fully executed form, but receives from you a completed copy of the tax organizer and/or supporting documentation requested therein, then such receipt by this office shall be deemed to evidence your acceptance of all of the terms set forth above and we will commence with the tax return preparation process. **HOWEVER, UNDER NO CIRCUMSTANCES, SHALL WE SIGN A COMPLETED TAX RETURN OR PREPARE AN EXTENSION UNTIL WE RECEIVE FROM YOU BOTH THE SIGNED ENGAGEMENT LETTER AND THE COMPLETED AND SIGNED TAX QUESTIONNAIRE, OR AN EQUIVALENT.** If this office receives from you no response to this letter, then this office will not proceed to provide you with any professional services, and will not prepare your income tax returns. Thank you for your attention in this matter, and please contact us with any questions that you may have.

Sincerely,

Certified Public Accountants

ACCEPTED AND AGREED:

Taxpayer

Date

Spouse (if applicable)

Date