

2022 Terms of Engagement

It is desirable to have a clear understanding of the terms of our engagement as the preparer of your personal income tax returns for 2022 ("the returns"). All references in this letter are to income tax information relating to you and your family members, where applicable.

It is understood and agreed that your responsibility as the taxpayer are as follows:

(a) The accuracy of the information and completeness of the representation reflected in the returns 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*. You confirm that all income and deduction items included in your tax return 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. Where applicable, all business (including commission, farming, and professional incomes) and rental schedules present the results of operations and include all material transactions; all income and benefits from employment have been reported, whether or not they are on the T4 slips; all incomes from investment (whether received or not) have been reported, whether or not they are on the T3, T5 or other information slips; all dispositions of a capital nature, and their costs have been reported; and all estimates for personal use of automobile, business portion of residence, and other such estimates you have provided are reasonable and supported by usage logs or equivalent evidence.

(b) **Foreign property reporting** - If you owned certain property outside of Canada costing more than C\$100,000 at any time during 2022, it may be necessary for you to declare such ownership in the returns. There are substantial fines and penalties for failing to complete and file the Foreign Income Verification Statement (Form T1135) by April 30th, if applicable.

(c) **NEW! Underused Housing Tax (UHT)** – The UHT imposes a national annual 1% tax on the value of non-resident (for immigration purposes), non-Canadian owned residential real estate considered to be vacant or underused. Legal ownership of real estate must be considered as of December 31, 2022, with filings and/or taxes first being due on April 30, 2023.

(d) You are not aware of any illegal or possibly illegal acts for which you have not disclosed to us all facts related thereto.

It is understood and agreed that our role as your tax return preparer are as follows:

We will not audit, review or otherwise attempt to verify the accuracy or completeness of any information provided. The returns will include the following statement "*Prepared without review or audit from information supplied by the taxpayer.*" If the income tax return contains any business forms or schedules where we compile the figures, we will include a "Notice to Reader" report in the following form: "*We have compiled this statement from information provided by the taxpayer. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that this statement may not be appropriate for their purposes.*" Should you have reason to circulate such forms or schedules with or separate from the income tax return, you agree that this report shall also be included with the circulated document and that you will provide us with the name(s) of the party (or parties) to whom they are circulated.

CRA may select your return for review. Often they request copies of your receipts and other times they may require a full audit. Any adjustments proposed by CRA are subject to certain rights of appeal. In the event of such tax examinations, we will be available upon request to represent you under a separate engagement and fee arrangement.

Fees

Upon completion of your income tax return or after providing advice on any matters respecting same, we will render you a bill for services at our usual billing rate. It is agreed this invoice will be paid **before** we deliver your tax return to you. Any amounts outstanding will be charged interest at 1.5% per month. **Unless other arrangements have been made, payment for our services is due before we file your returns with the CRA.**

Limitation of liability

Our liability to you for any claim related to professional services provided pursuant to this engagement letter in either contract, negligent misrepresentation or tort, including the partners, officers or employees of the accounting firm shall be strictly limited to the amount of any professional liability insurance the firm may have available at the time such claims are made. No claim shall be brought against the accounting firm in contract or tort more than three years after the services were completed or terminated under this engagement.

PETER W. NG PROFESSIONAL CORPORATION, Chartered Professional Accountant

The services and terms as set out above are accepted. I acknowledge and accept my responsibilities as the taxpayer as outlined above. I understand that I am personally responsible for any taxes, interest or penalties that may arise from non-disclosure of information pertinent to the return.

Are you eligible to vote in Canada	<i>(circle correct answer)</i>	Yes / No
Sale or Deem disposition of Principal Residence in 2022	<i>(circle correct answer)</i>	Yes / No
I am required to file Form T1135 – Foreign Property Reporting	<i>(circle correct answer)</i>	Yes / No
I would like to sign up for CRA Online Mail (Pls Provide Email)	<i>(circle correct answer)</i>	Yes / No
Do you own more than one residential property other than your principal residence		Yes / No

Signature _____

Print Name _____

Date _____

