St. Sauver & Szabla CPA's
MAKING TAXES LESS PUZZLING

December 11, 2025

1040 Engagement Letter

Subject: Preparation of Your 2025 Tax Returns

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1. We are pleased to confirm our understanding of the arrangements for your **individual 2025 Form 1040** income tax return(s). This letter confirms the services you have asked our firm to perform and the terms under which we have agreed to do that work. Please read this letter carefully because it is important to both you and our firm that you understand what you can and cannot expect from our work. In other words, we want you to know the limitations of the services you have asked us to perform. If you are confused at all by this letter or believe we have misunderstood what you need, please call us before you sign it.

2. This engagement letter represents the entire agreement regarding the services described herein and supersedes all prior negotiations, proposals, representations or agreements, written or oral, regarding these services. It shall be binding on the heirs, successors and assigns of you and us. The Internal Revenue Service imposes penalties on taxpayers, and on 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 arrangements. 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. We will furnish you with any questionnaires and/or worksheets that you request to guide you in gathering the necessary information. Your use of such forms will assist us in keeping our fee to a minimum. To the extent we render any accounting and/or bookkeeping assistance, including (but not limited to) telephone calls, letters, emails and 3rd party consultations it will be limited to those tasks we deem necessary for preparation of the returns and will be billed at our standard billing rates and minimums.

Tax Preparer Responsibilities

3. We will prepare your 2025, and only your 2025 Federal, Minnesota, and **Specific State(s)/Cities:** _____ individual Income Tax Form 1040 and the related Federal, Minnesota, and **Specific State(s) and Cities** individual Form 1040 income tax return schedules from information you furnish us for the year ended December 31, 2025. We will not in any way verify the data you submit although we may ask you to clarify some of the information. Our minimum fee to prepare an individual federal tax return is $300, and your fee will be based upon our fee schedule plus any charges incurred as discussed in number 2 above. We are not responsible for ensuring the accuracy of forms provided to you by or prepared by other preparers. ***If you have taxable activity in a state/city or country other than that specifically listed you are responsible for providing our firm with all information necessary to prepare any additional applicable state(s)or local income tax returns as well as informing us of the applicable states. We will prepare only those state/city returns specifically listed above and do not and have not determined if you have taxability or filing requirements in those states, cities or countries not listed.***

4. We are responsible for preparing only the specific individual income tax forms for the specified federal and state individual tax agencies listed in number 3, above. Any other requested services, forms or other actions on our part require a separate written, signed engagement letter. In the absence of written communications from us documenting such services, our services will be limited to and governed by the terms of this engagement letter. Our services are not intended to determine whether you have filing requirements other than the one(s) which you have requested in paragraph 3 above.

Taxpayer Responsibilities-PLEASE READ CAREFULLY

5. Please note that any person or entity subject to the jurisdiction of the United States (includes individuals, corporations, partnerships, trusts, and estates) having a financial interest in, or signature or other authority over, bank accounts, securities, or other financial accounts having an aggregate value exceeding $10,000 in a foreign country, shall report such a relationship. Although there are some limited exceptions, filing requirements also apply to taxpayers that have direct or indirect control over a foreign or domestic entity with foreign financial accounts, even if the taxpayer does not have foreign account(s). Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties. Such disclosure includes filing Form 8938 with this Form 1040 and Form FinCen 114 directly with the Department of the Treasury. ***If you do not provide our firm with information regarding any interest you may have in a foreign account, we will not be able to prepare any of the required Income tax related forms, and penalties may be due, for which we have no responsibility. In the absence of such information being provided we will presume you do not have any foreign assets or financial interests and will not file any applicable disclosure forms without separate written authorization.***

6. US citizens and resident aliens are required to report worldwide income on their US tax return.

7. In addition, currently the Internal Revenue Service requires information reporting if you are an officer, director or shareholder with respect to certain foreign corporations, foreign-owned U.S. corporation or foreign corporation engaged in a U.S. trade or business or U.S. transferor of property to a foreign corporation. Additionally, recent Form 1040 changes require that you report any activity you may have in cryptocurrency including mining, sale, barter, etc. By your signature below, you accept responsibility for informing us if you believe that you fall into one of the above reporting categories and you agree to provide us with the information necessary to prepare the appropriate forms. We assume no liability for penalties associated with the failure to file or untimely filing of any of these forms. ***Digital asset activity may require reporting on tax returns filed with other countries. We have not determined if such returns are due nor have we been hired to determine filing requirements or to file any tax returns for foreign countries or localities.***

8. You acknowledge that you have reported all 2025 income you received including barter, digital asset, consumer-to-consumer activity, cash-based revenues, foreign or non-US income and all other income whether received in-person, in-kind, or electronically. You also confirm that you have or will timely file any applicable required Forms W-2 and W-3 and 1099 with the Social Security Administration and IRS for business employees or home-

workers.

Other Items

9. Our fee does not include responding to inquires or examination by taxing authorities or third parties, for which you will be separately billed for time and expenses involved. However, we are available to represent you and our fees for such services are at our standard rates and would be covered under a separate engagement letter. You agree to immediately notify us upon the receipt of any correspondence from any agency covered by this letter. Please do not respond to or click on any links from emails purportedly from the IRS-the IRS never initiates correspondence via email and any such emails are attempts to steal your identity.

10. It is your responsibility to maintain, in your records, the documentation necessary to support the data used in preparing your tax returns, and the required documents to support charitable contributions for three years from the filing date. It is also your responsibility to carefully examine and approve your completed tax returns before signing and mailing them to the tax authorities. We are not responsible for the disallowance of doubtful deductions or inadequately supported documentation, nor for resulting taxes, penalties and interest. We will rely, without further verification, upon information you provide to us from 3rd parties including, but not limited to, K1's, 1099's, 1098's, and receipts and similar items. ***We DO NOT automatically file tax extensions for clients-you must notify us in writing, email, phone, or fax if you wish us to file an extension, and the notification should include your estimate of any balance due with the extension. We must receive your information by April 1st in order to complete your return in a timely manner and information received after that date may cause your return to be extended and completed after the April 15th due date.*** Failure to file an extension may make you subject to various penalties and interest. Additionally, if your return is extended it does not relieve you from paying any tax due on the due date or making quarterly estimated tax payments for the current year. Failure to pay any tax due with the extension or failure to pay quarterly estimated tax payments may make you subject to various penalties and interest.

11. Social media correspondence with us does not constitute tax advice or representation because of its abbreviated nature. We do not retain any such electronic correspondence and have no responsibility to do so. Written correspondence and advice from us is solely represented by surface mail, email through our info@stascpas.com and our 320-252-2430 fax number. No other communication from us may be relied upon, nor is it meant to be relied upon.

12. Business Owners: When a self-employed taxpayer reduces taxable income through tax deductions there is also a reduction in earned income reported to the Social Security Administration, which could reduce current and future benefits for the taxpayer and their dependents. You acknowledge and agree to the current tax reduction and also acknowledge and agree to the potential negative effects on future social security benefits for you, your spouse and any dependents.

12a. Business Owners: State laws regarding the collection of sales tax by online sellers may require separate registration, collection, filing and payment with many states at very low activity levels. We were not engaged to, nor did we. determine whether individual state sales tax rules apply to your business. Determination of whether an individual state's sales tax rules apply to your activity are your responsibility unless we have a SEPARATE written engagement letter acknowledging our responsibility to determine or apply sales tax rules for an individual state. Failure to register and file with an appropriate state may expose you to severe penalties.

13. Privacy laws established by the IRS prohibit us from providing confidential information or copies to anyone other than you without your specific, written authorization. To comply with these regulations we provide all copies of all returns to you in a secure web portal as discussed below. In the interest of maintaining service quality and timeliness, we may use a 3rd party service provider to assist us in the use of technology to facilitate compliance with disclosure and storage of your tax information. We and the 3rd party provider have established written procedures and controls designed to protect client confidentiality and maintain data security.

14. If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until you have had an opportunity to argue that the communication is privileged. You agree to pay any and all reasonable expenses that we incur, including legal fees, that are a result of attempts to protect any communication as privileged. In addition, your confidentiality privilege can be inadvertently waived if you discuss the contents of any privileged communication with a third party, such as a lending institution, a friend, or a business associate. We recommend that you contact us before releasing information to a third party.

15. It is our policy to keep records related to this engagement for three years. ***However, we do not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use***, ***including potential examination by any government or regulatory agencies***. Your signature on Form 8879 acknowledges your receipt of the original documents provided to us. If you move or do not wish to receive an organizer, please notify us or we will send the organizer to the address we used on your prior year's tax return.

16. In the interest of facilitating our services to you, we utilize a secure web portal. Your use of this portal must comply with our standards of use, and as owners of the portal we retain the right to limit and deny use of the portal for inappropriate purposes. Your access to files maintained on the portal will be terminated no later than 30 days after your or our termination of services under this agreement, unless we are notified in writing of your desire to extend your access. All confidential information sent to you or third parties (at your direction), as well as the portal will be password protected. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent and consent to our use of these devices.

17. We do not and will not advise you regarding the economic viability or consequences of an investment or whether you should or should not make a particular investment.

18. Payments for billings are due upon receipt and billings become delinquent if not paid within 30 days of the invoice date. If you are delinquent in payment your account may be subjected to collection actions and you will become additionally responsible for collection, legal, administrative, court and any other fees incurred by us in collecting your delinquent account. If billings are not paid within 60 days of the invoice date, at our election, we may stop all work until your account is brought current, or we may withdraw from this engagement. You acknowledge and agree that we are not required to continue work in the event of your failure to pay within 30 days (timely basis) for services rendered as required by this engagement letter. You further acknowledge and agree that in the event we stop work or withdraw from this engagement as a result of your failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable to you for any damages that occur as a result of our ceasing to render services. Our services will conclude upon delivery of the completed income tax returns discussed above or upon our suspension of services or resignation from the engagement.

19. In recognition of the relative risks and benefits of this agreement to both the client and the accounting firm, the client agrees, to the fullest extent

permitted by law, to limit the liability of the accounting firm to the client for any and all claims, losses, costs, and damages of any nature whatsoever, so that the total aggregate liability of the accounting firm to the client shall not exceed the accounting firm's total fee for services rendered under this agreement. The client and the accounting firm intend and agree that this limitation apply to any and all liability or cause of action against the accounting firm, however alleged or arising, unless otherwise prohibited by law. Both parties agree that there is a one-year limitation period to bring a claim against us for errors and omissions. The one-year period will begin upon the date of the tax professional's signature on the tax returns covered by this engagement letter.

20. From time to time various third parties may request that we sign, for you, some verification of income, employment or tax filing status. Because we were engaged only to prepare your income tax return <u>the state board of accountancy prohibits us from signing any such document</u> and any third party request to do so is a violation of those rules prohibiting us, by law, from the issuance of an opinion without performing an audit. These returns are not intended to benefit or influence any third party, either to obtain credit or for any other purpose.

21. Notwithstanding anything contained herein, both the accountant and client agree that regardless of where the client is domiciled and regardless of where this Agreement is physically signed, this Agreement shall have been deemed to have been entered into at St. Sauver and Szabla CPA's Inc. located in Stearns County, MN, USA, and Stearns County, MN, USA, shall be the exclusive jurisdiction for resolving disputes related to this Agreement. This Agreement shall be interpreted and governed in accordance with the Laws of Minnesota.

22. In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails 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 the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of information.

23. Do not rely on any advice that has not been put into writing for you. You may request all advice upon which a client might rely be put into a written memorandum prior to you relying on such advice. We believe this is necessary to avoid confusion and to make clear the specific nature of our advice.

24. Please date and sign the enclosed copy of this letter to acknowledge your agreement with and acceptance of your responsibilities and the terms of this engagement. It is our policy to initiate services after we receive the executed engagement letter. If any provision of this agreement is declared invalid or unenforceable, no other provision of this agreement is affected and all other provisions remain in full force and effect.

Sincerely,

Diane L. St. Sauver *Christie L. Szabla*
Diane L. St. Sauver Christie L. Szabla

Accepted By: (Both spouses must sign for preparation of joint returns.)

_____
Taxpayer Spouse Date
I (We) have read the above terms of the engagement letter and agree with the terms of this engagement.