



TO: _____

FROM: Michael Lodge

DATE: _____

SUBJECT: ENGAGEMENT LETTER
PREPARE AND ORGANIZE: C CORP S CORP LLC Partnership DBA Only

Thank you for selecting Lodge & Co. to assist your formation and organization of your business entity. The purpose of this letter is to confirm the terms of our engagement and the services we will provide. You received this letter because we understand you are the person responsible for the formation and tax matters of the new business entity. If that is not correct, please tell us who that person is so that we can coordinate the formation and tax return preparation work with the correct party.

FORMATION: We expect to perform the following services:

1. Business Name Research
2. DBA Business Name Filing & Certificate
3. Federal State ID Number (FEIN) & State (if applicable)
4. Articles of Incorporation
5. ByLaws
6. Business Entity File Package
7. Organization – Minutes
8. Review any tax issues.

WORK: Our work in connection with preparation of your business entity and/or income tax returns does not include procedures to verify your representations, discover defalcations, or other irregularities.

TAX ISSUES: We must use our judgment in resolving questions where the business entity formation and associated tax laws are unclear, or where there may be conflicts between the taxing authorities' interpretations of the law and other supportable positions. We will apply the "more likely than not" reliance standard to resolve such issues in order to avoid penalties that might be assessed against us as return preparers. You agree to honor our decisions regarding disclosure of return positions to avoid or mitigate penalties.

MANAGEMENT: Management is responsible for proper recording of transactions in the accounts, safeguarding of assets, and substantial accuracy of the financial records. Because you have final responsibility for the business entity documentation and tax returns, you should review them carefully before you sign and file them, and send tax reporting information to the members (if a LLC) or if there are shareholders of a corporation.

OUR FEE: our fee for the services described will be based on the time required at standard billing rates plus out-of-pocket expenses. All invoices are due and payable upon presentation. To the extent permitted by state law, an interest charge will be added to all accounts not paid within thirty (30) days.

COPIES: We retain copies of records you supply to us along with our work papers for your engagement for a period of three (3) years. After three years, our work papers and engagement files are destroyed. All of your original records will be returned to you at the time 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 NOT ATTORNEYS: We are not attorneys and can't advise you on legal issues regarding the formation of a business entity. If you have legal question on legal issues you must consult an attorney. We are only allowed to advise you on tax issues concerning a business entity.

To affirm that this letter agrees with your understanding of the terms of our engagement, please sign the enclosed copy in the space indicated and return it to our office.

We appreciate your confidence in our firm.

Sincerely,
Lodge & Co.

Michael Lodge, Chairman

FEES: BUSINESS FORMATION \$ _____ includes DBA filing
 DBA ONLY: \$ 250
 TAX PREPARATION \$ 20% off tax preparation fee

Accepted by: _____

Title: _____

Date: _____

Please review our needs list.

NEEDS LIST:

- 1. Primary Contact Number: _____
- 2. Address: _____
- 3. Telephone Number: _____
- 4. Fax: _____
- 5. E-Mail: _____

PROVIDE THREE COMPANY NAMES THAT YOU WOULD LIKE TO USE (this allows us to check name availability)

- 1. _____
- 2. _____
- 3. _____

THE OFFICIAL ADDRESS OF THE BUSINESS:

THE PERSON RESPONSIBLE FOR TAX MATTERS IS: (for FEIN Number)

_____ SSN: _____

THE PURPOSE OF THIS BUSINESS IS: (provide description of what the business is and will do)

WHO WILL BE THE OFFICERS / MEMBERS OF THE BUSINESS ENTITY:

- | | | |
|-----------|-------------------------|---|
| 1. _____ | PCT OF OWNERSHIP: _____ | % |
| 2. _____ | PCT OF OWNERSHIP: _____ | % |
| 3. _____ | PCT OF OWNERSHIP: _____ | % |
| 4. _____ | PCT OF OWNERSHIP: _____ | % |
| 5. _____ | PCT OF OWNERSHIP: _____ | % |
| 6. _____ | PCT OF OWNERSHIP: _____ | % |
| 7. _____ | PCT OF OWNERSHIP: _____ | % |
| 8. _____ | PCT OF OWNERSHIP: _____ | % |
| 9. _____ | PCT OF OWNERSHIP: _____ | % |
| 10. _____ | PCT OF OWNERSHIP: _____ | % |

HOW MUCH CAPITAL IS NEEDED TO START THE BUSINESS ENTITY?

\$ _____

WILL THIS BUSINESS ENTITY OR MEMBERS HAVE EQUAL MANAGEMENT CONTROL OF THE BUSINESS ENTITY? YES / NO

STATE YOU WISH TO FORM THE BUSINESS ENTITY IN: _____

PLEASE LIST THE OFFICERS OF THE CORPORATION:

PRESIDENT: _____

SECRETARY: _____

TREASURER: _____

OTHER NOTES:
