2024 REPORT OF FOREIGN BANK AND FINANCIAL ACCOUNTS (FBAR)ENGAGEMENT LETTER

[FIRM NAME]

[Firm Address]

[City, State ZIP]

[Phone Number]

[Email]

Date: ____________________

Client Name: ____________________

Client Address: ____________________

City, State ZIP: ____________________

Dear ____________________:

[FIRM NAME] ("firm," "we," "us," or "our") is pleased to provide you ("you" or "your") with the professional services described below. This letter confirms our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide. The engagement between you and our firm will be governed by the terms of this Agreement.

Engagement Objective and Scope

We will prepare the following report for the 2024 calendar year:

FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR)

We will not prepare any returns or reports other than those identified above, without your written request, and our written consent to do so. We will rely upon the completeness and accuracy of the information and representations you provide to us to prepare your FBAR. We will not audit or otherwise verify the data you submit to us, although we may ask you to clarify certain information.

We will prepare the above-referenced report solely for filing with the Financial Crimes Enforcement Network (FinCEN) of the Department of the Treasury. Our work is not intended to benefit or influence any third party, either to obtain credit or for any other purpose.

You agree to indemnify and hold us harmless with respect to any and all claims arising from the use of the FBAR for any purpose other than filing with FinCEN regardless of the nature of the claim, including the negligence of any party.

Our engagement does not include any procedures designed to detect errors, fraud, or theft. Therefore, our engagement cannot be relied upon to disclose such matters. In addition, we are not responsible for identifying or communicating deficiencies in your internal controls. You are responsible for developing and implementing internal controls applicable to your operations.

This engagement is limited to the professional services outlined above.

Firm Responsibilities

Unless otherwise noted, we will perform our services in accordance with the Statements on Standards for Tax Services ("SSTSs") issued by the American Institute of Certified Public Accountants ("AICPA") and U.S. Treasury Department Circular 230 ("Circular 230"). It is our duty to perform services with the same standard of care that a reasonable tax preparer would exercise in this type of engagement. It is your responsibility to safeguard your assets and maintain accurate records pertaining to transactions. We will not hold your property in trust for you, or otherwise accept fiduciary duties in the performance of the engagement.

Client Responsibilities for FBAR Reporting

Filing Requirements

You are required to file an FBAR if:

1. You are a U.S. person (citizen, resident, entity formed in the U.S., trust or estate);
2. You had a financial interest in, signature authority, or other authority over one or more financial accounts located outside the United States; and
3. The aggregate value of all such foreign financial accounts exceeded $10,000 at any time during the calendar year.

Information Required

You will provide us with the following information for each foreign financial account:

- The name on the account
- Account number
- Name of the foreign financial institution
- Address of the foreign financial institution
- Type of account (bank, securities, or other)
- Maximum account value during the calendar year (in U.S. dollars)
- For joint accounts, the identity of all owners and their ownership percentages
- For accounts where you have signature authority but no financial interest, the identity of the owner of the account

For accounts with a financial interest held by an entity, you will provide us with:

- The entity's TIN
- The type of entity
- The entity's address
- The entity's ownership interest

You must inform us if you have a financial interest in, or signature authority over, a foreign financial account, even if the account has not generated any income.

Reporting Thresholds

The $10,000 threshold is an aggregate amount. If the total value of all your foreign financial accounts exceeds $10,000 at any time during the calendar year, all foreign financial accounts must be reported, even if an individual account is valued less than $10,000.

Foreign Financial Accounts Defined

Foreign financial accounts include, but are not limited to:

- Bank accounts (savings, checking, time deposits)
- Securities accounts (brokerage, securities derivatives, or other financial instruments)
- Commodity futures or options accounts
- Insurance policies with cash value
- Annuity policies with cash value
- Shares in mutual funds or similar pooled funds
- Retirement accounts maintained outside the United States

You are responsible for informing us of all foreign investments, transfers, and accounts to ensure proper reporting. Failure to report foreign financial accounts on the FBAR carries civil and criminal penalties. By signing this Agreement, you acknowledge and accept responsibility for informing us if you have any foreign accounts.

Penalties for Non-Compliance

Penalties for failure to file an FBAR can be severe. Non-willful violations can result in penalties up to $10,000 per violation. Willful violations can result in penalties equal to the greater of $100,000 or 50% of the account balance at the time of the violation, and may include criminal penalties. You are responsible for providing us with complete and accurate information about your foreign financial accounts to ensure proper FBAR filing.

Prior Year FBARs

If you have not complied with the FBAR reporting requirements for previous years, you may be able to participate in the IRS's streamlined filing procedures or offshore voluntary disclosure programs. These services are outside the scope of this engagement. If you would like us to assist you with previous year FBARs or voluntary disclosure options, and we agree to do so, we will confirm this engagement in a separate Agreement.

Government Inquiries

This engagement does not include responding to inquiries by any governmental agency or authority. If your FBAR is selected for examination, you may request our assistance in responding to such an inquiry. If you ask us to represent you, and we agree to represent you, we will confirm this engagement in a separate Agreement.

Tax Advice

Any advice we may provide is based upon tax reference materials, facts, assumptions, and representations that are subject to change. We will not update our advice after the conclusion of the engagement for subsequent legislative or administrative changes or future judicial interpretations. To the extent we provide written advice concerning federal tax matters, we will follow the guidance contained in Circular 230, §10.37, Requirements for Written Advice.

Documentation

You are responsible for maintaining adequate documentation to substantiate the accuracy and completeness of your FBAR. You should retain all documents that provide evidence and support for the information reported on your FBAR, including, but not limited to:

- Bank statements
- Account opening documents
- Foreign tax returns
- Currency exchange rates
- Ownership documents for accounts held through entities
- Documentation regarding the source of funds for the accounts
- Correspondence with foreign financial institutions

You represent that you have such documentation and can produce it if necessary, to respond to any audit or inquiry by FinCEN, the IRS, or other government agencies. You agree to hold our firm harmless from any liability including but not limited to, additional tax, penalties, interest and professional fees resulting from the disallowance of any FBAR filing due to inadequate documentation.

Timing of the Engagement

We expect to begin our services upon receipt of this executed Agreement and all foreign account information for the 2024 calendar year.

Our services will conclude upon the earlier of:

- the filing and acceptance of your 2024 FBAR by FinCEN,
- written notification by either party that the engagement is terminated, or
- one year from the execution date of this Agreement.

Extensions of Time to File FBAR

The original filing due date for your 2024 FBAR is April 15, 2025. An automatic extension to October 15, 2025 is available. You must provide the information needed to prepare the FBAR no later than March 15, 2025 (30 days prior to your filing due date). Failure to do so may result in the inability to complete your FBAR by the original filing due date, and we will need to rely on the automatic extension.

It may become necessary to apply for an additional extension of the filing deadline if there are unresolved issues or delays in processing, or if we do not receive all of the necessary information from you on a timely basis. All extensions must be approved by FinCEN. Applying for an extension of time to file may extend the time available for a government agency to undertake an audit of your FBAR or may extend the statute of limitations to file a legal action. Additionally, extensions may affect your liability for penalties and interest or compliance with governmental or other deadlines.

Penalties and Interest Charges

The Department of the Treasury and the IRS impose various penalties and interest charges for non-compliance with FBAR filing requirements including failure to file or late filing of reports, and incomplete or incorrect filings. You, as the taxpayer, remain responsible for the payment of all penalties and interest charges imposed by tax authorities.

Additional Services - Foreign Account Tax Compliance Act (FATCA)

Please note that this engagement is limited to FBAR filing only. The Foreign Account Tax Compliance Act (FATCA) requires the reporting of certain foreign financial assets on Form 8938, Statement of Specified Foreign Financial Assets, which is filed with your income tax return if your foreign financial assets exceed the applicable threshold. The FBAR and Form 8938 have different reporting requirements and thresholds. Preparation of Form 8938 is not included in this engagement. If you would like us to prepare Form 8938, and we agree to do so, we will confirm this engagement in a separate Agreement.

Other Foreign Reporting Requirements

Based on the information you provide, you may have additional filing obligations related to foreign investments or activities, including but not limited to:

- Form 8938, Statement of Specified Foreign Financial Assets (FATCA reporting)
- Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations
- Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships
- Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company
- Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts
- Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner
- Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation
- Form 8992, U.S. Shareholder Calculation of Global Intangible Low-Taxed Income (GILTI)

If upon review of the information you have provided to us, including information that comes to our attention, we believe that you may have additional filing obligations, we will notify you. You acknowledge that the scope of our services under this Agreement does not include any services related to your compliance with tax obligations other than those identified in the Engagement Objective and Scope section of this Agreement.

The foreign reporting requirements are very complex. If you have any questions regarding the application of the reporting requirements for your foreign interests or activities, please ask us and we will respond in writing. Only advice that is in writing may be relied upon. We assume no liability for penalties associated with the failure to file or untimely filing of any of these forms.

Professional Fee

Our professional fee for the services outlined above is $_________ and is due upon execution of this Agreement as a retainer. This fee is based upon the complexity of the work to be performed, and our professional time, as well as out-of-pocket expenses. In addition, this fee depends upon the timely delivery, availability, quality, and completeness of the information you provide to us. You agree that you will deliver all records requested and respond to all inquiries made by our staff to complete this engagement on a timely basis. You agree to pay all fees and expenses incurred whether or not we prepare the FBAR.

We require that all outstanding invoices be paid prior to commencing preparation of your FBAR. We do not release incomplete FBARs.

Ultimate Responsibility

You have final responsibility for the accuracy of your FBAR. We will provide you with a copy of your electronic FBAR for review prior to electronic filing with FinCEN. You agree to review and examine it carefully for accuracy and completeness.

In the event that you do not wish to have your FBAR filed electronically, please contact our firm. Additional procedures will apply. You will be responsible for reviewing the paper form for accuracy, signing it, and filing it timely with FinCEN.

____

We appreciate the opportunity to be of service to you. If you understand and agree to the terms and conditions of this engagement, please sign and date below.

Sincerely,

[FIRM NAME]

By: _____________________________

[Preparer Name],

[Title]

[Firm Name]

[Email]

[Phone]

Accepted By:

____

Client Signature

____

Print Name

____

Date

____

Title (if applicable)