

Professional Tax Preparation and Consulting Engagement Agreement
American Expat Tax Services Pte Ltd
(Singapore Reg. No. 201022288K)

DISCLAIMER: I, _____ and _____ (SPOUSE/if filing Jointly) the undersigned taxpayer (s) hereby engage the services of American Expat Tax Services, Pte Limited (referred to hereinafter as AETS) as a U.S. tax preparation service.

SCOPE OF ENGAGEMENT: The engagement will be complete upon the delivery of my completed returns. Thereafter, I will be solely responsible to file the returns with the appropriate taxing authorities if I am ineligible for IRS E-Filing. Please be aware the E-Filing became mandatory for most taxpayers starting in the 2011 filing season. If AETS discovers information that affects my prior-year U.S. income tax returns, it will make me aware of the facts. However, AETS is not responsible for identifying items or amending these prior year returns unless I engage them to do so. Representation in the event of a tax audit by the IRS or any relevant state or foreign government's taxing authority is outside the scope of this engagement. If AETS is available, you will be provided with a new estimate and engagement letter for representation during the audit, but AETS is under no obligation to provide representation even if the return was originally prepared by our office.

PRIVILEGE:

All information provided is kept confidential and cannot be disclosed to third parties without your written consent should it become necessary. Such consent will also contain a written agreement to compensate AETS for time spent and costs incurred in asserting privilege if AETS or any of its staff are subjected to a subpoena or court order or other legal process.

DISCLOSURE:

By US law, AETS is prohibited from disseminating or sharing your information with any third party for a use not intended by this engagement. If you request we share your information we will require a signed instruction letter from you. This consent is not necessary if the disclosure is to an attorney or the IRS or state taxing authorities. We are also prohibited by law from disclosing your information to third parties who wish to use the information for commercial purposes.

BURDEN OF REPORTING: In connection with this engagement it is my responsibility as the tax payer to provide *complete and accurate* information on all items of income and deductions for the relevant tax years. I am aware that certain types of foreign accounts require special reporting and am prepared to provide all the necessary details. I have receipts and other written documentation to support all of the information provided. I will retain these records for a period of at least seven years after the date the returns are filed in the event of a tax audit. Records in support of any item with a tax basis (real estate, stocks, CPF reporting should be retained until the asset is sold.) AETS does not maintain copies of the documentation given in connection with the preparation of returns. Further, I understand that AETS has no responsibility to verify or confirm the information I have provided and I am at all times responsible for its completeness and accuracy. AETS is however, subject to preparer penalties for taking unreasonable position and underreporting income. As such, the staff of AETS will act in "good faith" in representing your information to the authorities and may request supporting documentation to support information provided in your planner or in an email. AETS does have a responsibility under section 6694 of the Internal Revenue Code to seek further information if such information appears incorrect or incomplete. In some cases a disclosure statement may be required.

AETS reserves the right to withdraw from representation at any time if there is unsubstantiated information or an untenable position (one with no substantial authority) in the opinion of AETS that I, the taxpayer, wish to pursue.

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ELECTRONIC COMMUNICATION: Emails can be intercepted, read, disclosed, or otherwise used or communicated by an unintended third party. AETS does not guarantee or warrant that emails from their domain will be properly delivered and read only by the addressee. AETS specifically disclaims and waives any liability or responsibility whatsoever for interception or unintentional disclosures of emails transmitted during the performance of this engagement. By my signature below I release AETS from liability for interceptions and unintentional disclosures.

ACCURACY OF ESTIMATE: I understand that the cost of preparing my tax return(s) is based upon my providing the information with regard to each of my items of income and expenses and deductions in a summary format. The estimate is also dependent on the completeness of data supplied during the original interview and the complexity and number of forms, calculations, schedules, and number, if any, of state returns required by law. The cost of the services provided will increase above the fee originally quoted if data received is incomplete or inconsistent or if the information is not compiled properly and requires "source data" computations. I, the taxpayer, will provide summary documentation as opposed to "source data" of information pertaining to rental properties and self-employment activities. (Do not send receipts.) If I desire these additional services, I must so indicate at the time of the engagement as I understand this is a separate service.

STATE RETURNS: If it is determined that I have a state filing obligation in one or more states or in the District of Columbia, returns will be prepared for my signature. As this is not always apparent at the time the estimate is given, this may result in additional fees.

PAYMENT: Prior to the start of work on my return I will pay a retainer of half of the estimate, but not less than SGD \$700. If multiple year returns are being prepared, please pay half of your estimate. Acceptable methods of payment include Singapore Dollar Cheques, Bank Transfer or Cash. **All cheques should be payable to AETS PTE LTD, double crossed and posted to 317 Bukit Timah, #09-317 City Towers, Singapore, 259711 or banking transfer to OCBC Bank account number : 654-817725-001. Katong Branch (Bank Code: 7339, Branch Code: 654, Swift Code for OCBC Bank: OCBCSGSG)**

An estimated fee & an invoice for preparing the return(s) has been given by email. The balance is payable upon presentation of your returns for signature and filing or prior to E-Filing. Any amount not paid within 20 days of completion of the return will be subject to a carrying charge of 1.5% per month. If any legal proceeding is required to collect sums owed I, the undersigned, will bear the cost of court costs and reasonable attorney's fees.

RECORD RETENTION:

I will be provided with a PDF version of my completed tax return/s. A hard copy will be available upon request. AETS will retain an electronic copy of your return for at least 3 years as required by law. AETS has no obligation to retain all materials used in the preparation of your return and I understand that they can be destroyed at any time. For this reason, please do **not** provide **original** documents unless requested by AETS. I understand that I am responsible for retaining all my own supporting documentation for seven years, including proof of mailing or E-File confirmation. E-File confirmation will be provided with a PDF of the return within ten days of successful transmission.

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FOREIGN BANK ACCOUNT REPORTING (TDF 90-22.1 a.k.a. "FBAR")

I understand that I may have a legal obligation to report all foreign accounts and that this is a separate and distinct requirement than filing my 1040. I have read schedule A and agree to provide complete and truthful information to AETS Pte Ltd.

This information report is required by the Bank Secrecy Act, 31 USC 5314 (CFR 103.24, 103.27). Although not a tax form, the IRS has indicated in Circular 230 (Sec. 10.22) that preparers have an obligation to make inquiries concerning the filing of such reports. Therefore, AETS requires FBAR reporting for all clients. This means that I will be required to prepare this form on my own or provide details of all foreign bank accounts, securities and investments, life insurance, gold holdings, and retirement accounts, including but not limited to CPF statements. This includes accounts over which I have signatory authority and accounts held jointly with a foreign spouse. This list is not exhaustive.

By my signature on this form, I acknowledge that I will take full responsibility to prepare and personally file form TD F 90-22.1 (FBAR) with the United States Department of Treasury for the year 2010 that is due no later than June 30th, 2011.

If you wish to engage the services of the firm to prepare this form you will be required to provide complete information no later than May 15th, 2011. The charge for this form varies depending on the number of accounts that must be reported. A form may be required for each spouse in some cases.

If you have not filed this form in the past and you are interested in becoming compliant, AETS will provide me with information and a list of tax attorneys to discuss my filing options. The employees of AETS are not permitted to provide legal advice in this area. By law you are required to retain all statements from foreign based accounts for five years (5).

STATEMENT OF FOREIGN FINANCIAL ACCOUNTS (FATCA)

In effect for the 2011 filing season foreign financial accounts of a certain aggregate value must also be reported in a new form that is a part of your 1040 filing. Therefore, even if you are self-preparing your FBAR, you may be required to provide your account numbers and high balances for the year.

FOREIGN BUSINESSES

Self-employment:

I understand that if I am self-employed, I must pay U.S. self-employment tax and any applicable state taxes on my foreign earned income after deducting all applicable business expenses.

A Totalization Agreement may alleviate this requirement. However, there is no such Agreement between the United States and the Republic of Singapore.

If I am an owner/director or partner of a foreign business I must advise AETS immediately as informational returns (partnership or corporate) will be required. These forms although informational in nature, carry excessive punitive penalties.

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FOREIGN TRUSTS AND GIFTS

If I am the beneficiary or trustee of a foreign trust or received a distribution from a foreign trust additional informational forms will be required.

If I received a gift of cash or other assets from a non US person, including my spouse equal to or in excess of \$100,000 in one year additional informational forms will be required.

If I made a gift to my foreign spouse, this includes withdraws from jointly held bank accounts, in excess of USD 134,000 per year, additional forms will be required.

If I made a gift to any other person- US or foreign- additional forms will be required.

CPF OR OTHER FOREIGN PENSION OR RETIREMENT ACCOUNTS

I understand that I must report as income, all employer contributions made on my behalf to the CPF or other non US pension or retirement accounts. I also understand that these accounts may need to be disclosed on the FBAR (see above) and that all interest and dividends, even if reinvested must be reported on my federal, if applicable, state return/s.

I further understand that distributions from these accounts are not considered foreign "earned" income for purposes of the foreign-earned income exclusion, nor do they qualify for special tax treatment as a U.S. domestic pension or retirement account.

FOREIGN INVESTMENTS

Certain types of investments made outside of the United States, not including U.S. sponsored funds investing in foreign markets, require special tax reporting. I will provide information on my foreign investments at the time of this engagement. Because foreign banks do not have reporting requirements, I will be responsible for gathering the information necessary for the correct reporting.

This includes, but is not limited to, **foreign life insurance policies**, unit trust, mutual funds, hedge funds, forex accounts, commodities, ETFs, index funds, and CDs.

FOREIGN LIFE INSURANCE

Foreign policies may require you to obtain an EIN and file Form 720 & pay excise tax. In some cases form 8621 may also be required. Please disclose your insurance policy details immediately so AETS can review your life insurance policies and further advise of the necessary tax reporting. If further review is required, the minimum charge for this service is SGD \$400 and does not include form preparation.

CONTRACT:

This letter is contractual in nature and supersedes any prior oral or written representations by or between parties. I have fully considered the terms and I/we by my/our signature/s below agree.

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TAXPAYER/SPOUSE CONTACT DETAILS:

Address: _____

Telephone: _____

Email: _____

Taxpayer Signature:	
Spouse's Signature:	Date: