

REPRESENTATION AGREEMENT

(Acceptance by Client constitutes agreement with all terms herein and engagement of Monica Haven, E.A.)

Client Name(s): _____

Scope

This document serves to confirm that Taxpayer (Client) has retained Enrolled Agent (EA) for representation in connection with income tax returns selected for examination by the

Internal Revenue Service Franchise Tax Board Year: _____

Client understands that he has engaged EA to represent him in *one issue only* and that ensuing matters must be addressed via a new and separate engagement. This contract covers

Audits Collections*
 Appeals Other: _____

* Collection resolutions may run the gamut from full payment of tax liability to payment on an installment plan to abatement merely of penalties and interest to audit reconsideration to deeming the account as uncollectible to an Offer-in-Compromise or even bankruptcy.

Client acknowledges that EA's representation services do not include any litigation in any state or federal court, nor before any other tax agency not mentioned above.

Supporting Documentation

Client agrees to provide EA with all tax records and documents upon request. Supporting data and financial disclosures may also be required. Client also agrees to provide a signed Power of Attorney, a complete copy of the relevant tax returns and all source documents as well as any government correspondence received pertaining to this matter. It is important to comply with deadlines set by the examining authorities as they are otherwise within their right to initiate enforcement actions. Should Client fail to supply documentation in a timely manner, EA reserves the right to terminate this agreement without further obligations.

Communications

Once a Power of Attorney has been signed, it is important that *Client does not communicate* directly with the tax authorities. All calls and communications must be referred to EA immediately. If Client should receive any correspondence from a tax agency regarding a tax matter for which EA represents him, Client should open, read, and forward the letters immediately via mail or fax to EA. Client need not be afraid to sign for Certified Mail. If Client should receive any telephone calls from a tax collector, Client should get his name and number but not discuss any aspect of the problem, and call EA immediately. If Client has previously provided any information, documentation or disclosures to the tax authorities, it is imperative that Client inform EA thereof immediately. Upon resolution of this matter, Client shall revoke Power of Attorney.

Potential Consultation

EA will have primary responsibility for all tax matters but may request advice and assistance from associates and professionals with specific expertise, as deemed necessary and applicable. Client shall reimburse EA for any consultation costs, if incurred.

Confidentiality

Client is hereby given notice that all communications with EA during the tax preparation process are confidential, but *not privileged* and may be disclosed if a summons is issued. However, limited privilege may apply during the representation phase under Code §7525. Client may advise EA to assert this privilege in non-criminal taxation matters involving the Internal Revenue Service or federal district courts. Client, however, should be aware that disclosure of information considered during the tax preparation process is not covered under privilege—only tax advice communications are covered. Client hereby agrees to reimburse EA for all costs, including attorney fees, required to defend the privilege asserted. *Client should immediately engage legal counsel if he has any concerns regarding possible criminal matters.*

Privacy

EA does not disclose nonpublic personal information about current or former clients to anyone unless instructed in writing to do so by Client. EA restricts access to nonpublic personal information to those professionals who may assist in the preparation of Client's return or provide tax advisory and bookkeeping services. EA has instituted all reasonable measures, including physical, electronic, and procedural safeguards to protect Client's nonpublic personal information. Client, however, assumes the risk of loss of confidentiality and/or tax documents during electronic transmission via the internet or mailing via

Monica Haven, EA, JD, ULM

1534 South Edris Drive * Los Angeles, CA 90035 * (310) 286-9161 * FAX (310) 557-1626
e-mail: mhaven@pobox.com * website: www.mhaven.net

U.S. Post Office or other third party delivery services. Client is hereby informed EA can provide tax and financial planning services only with Client's written consent. [See separate TIGTA Consent Form.]

Solutions

If an Offer-in-Compromise is submitted to the Internal Revenue Service, Client understands that the statute of limitations is suspended while the offer is pending and for one additional year thereafter.

Interim Actions

Collection enforcement by the tax authorities is typically suspended during negotiations, but EA cannot guarantee that erroneous or premature levies upon Client's bank account will not be made. Thus, it is best to maintain minimal balances in your current account or even open a new account to protect your assets in the interim.

Preventative Measures

To prevent future tax problems, Client must comply with all filing and payment obligations, including adjusting wage withholdings, making proper and timely estimated and/or payroll tax payments, and filing subsequent tax returns on time. EA recommends that all Client use Certified Mail to verify all payments and filings send to the tax agencies. Client may be required to establish and adhere to current and future budgets to avoid potential shortfalls.

Emergency Procedures

Once EA assumes management of Client's case, levies and garnishments are rare, but possible. These are usually *one-time* occurrences and generally do not attach to future bank deposits. Client should not panic and do the following:

- Determine amount of attachment—the bank must submit this amount to the IRS within 21 days and to the FTB within 10 days.
- Immediately fax a copy of the notification of garnishment to EA and provide contact information for bank representative responsible for responding to levies.

Levies on salaries and wages are *continuous* until released by the tax authority. Once again, Client must immediately fax a copy of the notification of garnishment to EA and provide contact information for Payroll Department employee responsible for responding to levies. Please note that IRS wage levies typically attach approximately 80% of net take-home pay while the FTB attaches only 25%.

Fee Arrangement

EA shall be compensated on an hourly basis at the rate of \$195. Extraordinary costs, including but not limited to telephone and fax charges, messenger services, postage, photocopying, research costs, travel and mileage expenses, shall also be billed to Client. A retainer in the amount of 50% of estimated charges is due upon initiation of the contract (*minimum retainer is \$600*). Charges for all work done will be applied to against the retainer and additional amounts will be billed monthly. Client shall *pay all invoices promptly upon presentation*. A penalty will be assessed monthly based on an annual rate of 10% of the outstanding balance. No additional services will be provided by EA until the account has been brought current. EA may take legal action to collect any outstanding fees and any legal costs incurred during the collection process will be added to Client's bill. EA will provide an estimate of fees in advance, but retains the right to modify the quote as the representation process continues, new issues are identified and/or additional work is required.

Termination of Contract

Either party may terminate this agreement at any time. However, Client shall be held responsible for all fees and expenses incurred up until EA has received formal written notification of contract termination. Upon conclusion of this engagement, EA's power of attorney is deemed revoked and EA shall have no further responsibility to Client or liability for this case.

Caveat

CLIENT UNDERSTANDS THAT EACH SITUATION IS UNIQUE AND THAT IT IS DIFFICULT TO PREDICT THE OUTCOME. EA DOES NOT MAKE EITHER REPRESENTATIONS OR GUARANTEES REGARDING THE OUTCOME OF THIS CASE. FURTHERMORE, CLIENT UNDERSTANDS THAT ALL RESULTING LIABILITIES FOR TAXES, INTEREST, AND PENALTIES REMAIN WITH THE TAXPAYER.

Client Signature: _____	Date: _____
Print Client's Name: _____	
Spouse Signature: _____	Date: _____
Print Spouse's Name: _____	

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