



January 8, 2025

Dear Client,

Thank you for providing Blue & Co., LLC ("Blue", "we", "us", or "our") the opportunity to submit this engagement letter (this "Letter") to you. This Letter, together with the additional terms and conditions set forth on Schedule A attached hereto, which are incorporated in this Letter by reference, confirms the terms of our engagement and specifies the nature and extent of the services we will provide. If you have any questions at all regarding this Letter or believe that we have misunderstood your needs, please discuss with us before signing.

Following your execution and return of this Letter, we will undertake the Services described below under "Scope of Services" for the fees and additional terms and conditions set forth below and on the attached Schedule A.

SCOPE OF SERVICES

Our services are limited to the preparation of the information returns below for the year ended December 31, 2024 (the "Services"):

<u>Information Returns</u>	<u>Filing Due Date</u>
Form 1099	January 31, 2025
Form 1096	January 31, 2025

We will electronically transmit your information returns to IRS and, if applicable, the corresponding state or local authority. **Your signature on this engagement letter authorizes us to transmit the information returns on your behalf.** If you have questions or concerns about the electronic filing process, or the information needed to effectuate that process, please contact us.

The objective of our services is to provide you with forms and schedules we believe are suitable for you to file with the applicable tax or governmental authorities and sufficient to comply with your filing obligations. You have the final responsibility for the filing and content of your return(s).

We will not assist you with any return other than those identified above without your request, and our agreement to do so. It is your responsibility to determine if any return filings are required in addition to those identified above. This engagement does not include our services to analyze such filing requirements. However, such services are available upon request under a separate engagement. If, during our review of the information you provide, we identify a potential filing obligation for additional information returns, we will notify you. Should you request our assistance in preparing these returns, we will confirm the specific returns required and provide details regarding the additional fees for this service.

You may request that we perform additional services not contemplated in this Letter. If this occurs, we will communicate with you regarding the scope and estimated cost of these additional services. Engagements for additional services will require a separate agreement to reflect the obligations of all parties. In the absence of any other written communications from us documenting additional services, our Services will be limited to and governed by the terms of this Letter.

Every return engagement shall be independent and distinct. This tax services engagement is limited solely to information return preparation. Other accounting services (including tax planning) are available upon request as separate engagements for additional charges.

This engagement does not include responding to inquiries by any governmental agency or tax authority. If you are contacted by a tax authority, either for inquiry or audit, you may request our assistance in responding. In that event, we would be pleased to discuss providing assistance to you.

ADMINISTRATION AND FEES

It is understood that you will provide us with the basic information required for the preparation of the return. The tax laws provide that the obligation of a preparer is based only on the information of which the preparer has knowledge. The completeness and accuracy of the information you provide remains your responsibility. Further, we will rely upon the completeness and accuracy of the information and representations you provide to us to prepare your returns. You are responsible for maintaining adequate documentation to substantiate the accuracy and completeness of your tax returns and the Internal Revenue Code requires that you maintain adequate documentation to support all items reported on your returns. Your signature below indicates your compliance with these requirements. Our records are not a substitute for yours. Therefore, you should retain all documents that provide evidence and support for reported income, credits, deductions, and other information on your returns, as applicable, and as required under applicable tax laws and regulations. You represent that you have such documentation and can produce it, if necessary, to respond to any examination or inquiry by tax authorities. You will be responsible for any liability, including but not limited to, additional tax, penalties, interest and related professional fees, resulting from adjustments due to inadequate documentation.

We may provide you with a questionnaire or other request for specific information. Completing the information request will assist us in making sure you are well served for a reasonable fee. We will not verify the information you give us; however, we may ask for additional clarification for some information. **If you are unable to provide complete information to us by January 24, 2025, it will become necessary to extend the filing due date and/or modify our fees.** If you have any questions regarding specific filing deadlines, please do not hesitate to contact us.

This tax services engagement will begin upon receipt of this signed Letter and will be concluded upon delivery to you of your returns for your review and filing with the appropriate governmental authorities. In any event, however, our engagement will last no longer than one year from the date we begin work on your returns. We expect to begin the preparation of your returns upon receipt of your complete information.

We will be pleased to meet with you at various times throughout the year at your request to discuss tax, accounting and any other matters affecting you. You should feel welcome to call on us at any time

in this regard. Although we are available to provide you with requested advice, we are not obligated to do so.

Information return extensions

Although we may assist you in the preparation of an extension to file your return(s), you have sole responsibility for the filing of any extension, and you agree to hold us harmless from any consequences where the extension is not timely filed.

If you wish to engage us to apply for extensions of time to file information returns on your behalf, we will not file these applications unless and until we receive an executed copy of this Letter. The executed copy of this Letter will also serve as your authorization for us to file for an extension on your behalf. In some cases, your signature may be required on such applications prior to filing. Failure to timely request an extension of time to file can result in penalties for failure to file information returns, which accrue from the original due date of the returns, and can be substantial.

Digital assets

The IRS considers virtual currency (e.g., Bitcoin) as property for U.S. federal income tax purposes. As such, any transactions in, or transactions that use, virtual currency are subject to the same general principles that apply to other property transactions.

If you had digital assets activity during the tax year, you may have tax and/or additional reporting obligations associated with such transactions. You agree to provide us with complete and accurate information regarding any transactions in, or transactions that have used, digital assets during the applicable tax year. Depending on the nature or volume of those transactions, a change to the scope of our services may be required.

Fees

Our professional fees for Services will be at our regular rates plus out-of-pocket expenses. We reserve the right to make adjustments from these regular rates to reflect the complexity of issues or efficiency generated by staff expertise, or other resources required in rendering these Services.

We appreciate the opportunity to be of service to you and believe this Letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. **If the terms of this Letter meet your approval, please complete the information requested below, sign, date and return this Letter.** It is our policy to initiate Services only after we receive the signed copy of this Letter from you.

Very truly yours,

Blue & Co., LLC

January 8, 2025

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ACCEPTANCE

I have carefully read and understood this Letter and agree to all of its terms and conditions.

Entity Name (Mandatory): _____

By: _____

Authorized signature

Date: _____

Printed Name and Title

Email Address

SCHEDULE A
ADDITIONAL TERMS AND CONDITIONS
OF OUR ENGAGEMENT

SUPPLEMENTAL INFORMATION

We may from time to time in our performance of the Services request supplemental information from you. Unless expressly provided for under "Scope of Services" in this Letter, we do not audit or verify the data you provide us. Further, our engagement does not include procedures intended to detect errors, fraud, theft or other irregularities, and we are not responsible for communicating deficiencies in your internal controls. However, we may ask you for further clarification and expect you to provide that clarification promptly and candidly. You represent that the data you provide us is accurate and complete in all material respects.

The Services we provide under this Letter are contingent upon your obligation to furnish us with timely tax information necessary to complete the returns prior to the filing due date. It may become necessary to apply for an extension of the filing deadline if there are unresolved tax issues, delays in processing, or if we do not receive all of the necessary information from you on a timely basis. You agree that in the event your return cannot be completed by the filing due date, it will become necessary for us to apply to extend the due date. If you are unable to timely provide all necessary information to us to allow for the timely preparation of your returns, you must contact us and request that we apply for an extension on your behalf. Applying for an extension of time to file may limit your ability to make certain elections, extend the time available for a government agency to undertake an examination of your return, and/or may extend the statute of limitations. Additionally, extensions may affect your liability for penalties and interest or compliance with government deadlines. We are available to discuss this matter with you at your request at our regular hourly fee should the need arise.

SUBMISSION OF RETURNS

In most circumstances, we are required to file your return electronically. It is your responsibility to timely return the signed e-file authorization form. Electronic filing of your return will not affect your responsibility to review and sign the return before it is submitted. If you have questions or concerns about the electronic filing process, or the information needed to effectuate that process, please contact us.

In addition, you have final responsibility for the accuracy of your returns. In connection with the Services, we will provide you with a copy of your returns and accompanying schedules and statements for review prior to filing with the IRS, state and local tax authorities, as applicable. You agree to review and examine them carefully for accuracy and completeness. Further, you have final responsibility for the payment of your taxes in whatever amount ultimately determined. If you choose, you may opt to have funds automatically withdrawn from a designated account and transmitted when your return is electronically filed. We will not transmit partial payments. It is your responsibility to provide us with correct account and routing numbers, to review this information for accuracy prior to submission of your return, and to ensure that sufficient funds are available at the time of payment. We shall have no liability for any tax due, penalties, interest, or overdraft charges which may result from your failure to

ensure sufficient funds are available at the time of payment. Once your return is complete (e-file acceptance or provision of a paper or electronic copy for you to file with the appropriate tax or governmental authority), we shall have no obligation to update your returns for subsequent legislative or administrative changes or future judicial interpretations under this Letter.

PAYMENT TERMS

Payment of each of our invoices is due within thirty (30) days of the invoice date. Additionally, a monthly service charge equal to the lesser of (i) one and one-half percent (1½%) per month (eighteen percent (18%) percent annually) and (ii) the maximum rate permitted under applicable law will accrue on any invoice or portion thereof remaining unpaid (including any out-of-pocket expense reimbursement, as applicable) for thirty (30) or more days after the invoice date. In accordance with our firm policies, work may be suspended if your account becomes overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been complete upon written notification of termination, even if we have not completed your return. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

In the event our work is suspended or terminated as a result of nonpayment, you agree that we will not be responsible for your failure to meet government and other filing deadlines, or for penalties or interest that may be assessed against you resulting from your failure to meet such deadlines.

CONFIDENTIALITY

CPAs, like all providers of personal financial services, are required by law to inform their clients of their policies regarding privacy of client information. CPAs have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by privacy law. Therefore, we have always protected your right to privacy. However, our ability to keep your information confidential may be limited by law.

Both parties acknowledge that confidentiality is essential to the fulfillment of this engagement. By signing this Letter, each party agrees to keep all information provided by either party confidential and not to disclose data to any third party without the other party's written consent or as necessary to perform the Services, as described below under "Use of Information and Record Retention". Information relating to federal tax advice provided to you, including our communications, as well as material created while providing the Services, may be privileged and protected from disclosure to the Internal Revenue Service (the "IRS").

You should be aware that, under the Internal Revenue Service Restructuring and Reform Act of 1998, certain information discussed by you with members of our firm who are authorized tax practitioners or their agents for the purpose of obtaining our firm's advice on tax matters is privileged from disclosure in any non-criminal tax matters before the IRS. Information compiled for the purpose of preparing a return is not privileged under common law because it is intended for disclosure to the IRS or others. The privilege will be waived if the communication is voluntarily disclosed to a third party. Also, privileged information might be used by you in preparing your financial statements and by us in performing other services related those statements. The IRS might take the position that such

communication results in a waiver of privilege. Should the IRS seek disclosure from either you or us regarding written or oral communications relating to such advice, you agree that you will discuss with us whether and how you assert or waive that privilege prior to making any disclosures. You acknowledge, however, that there may be circumstances under which we are legally obligated to disclose information related to our Services. We will endeavor to advise you prior to any such disclosure.

USE OF INFORMATION AND RETENTION OF RECORDS

We collect nonpublic personal information about you that is either provided to us by you, or obtained by us with your authorization. For current and former clients, we do not disclose any nonpublic personal information obtained in the course of our Services except as required or permitted by law. Permitted disclosures include, for instance, providing information to our employees and, in limited situations, to unrelated third parties who need to know that information to assist us in providing the Services. In all such situations, we inform each such recipient of the confidential nature of the information being shared. In order to guard your nonpublic personal information, we maintain physical, electronic, and procedural safeguards that comply with our professional standards.

We retain records relating to the Services so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. We retain copies of the records you have supplied to us, along with our working papers related to the Services, for seven (7) years as defined in our Record Retention Policy. After that time, we may destroy our working papers and engagement files. All statements, records, schedules, working papers, or memoranda prepared by us during our engagement shall remain our exclusive property. However, we recommend that you retain all pertinent information provided to us for the preparation of your return. We are not responsible for keeping copies of your information.

We do not keep any original client records, so we will return those to you at the completion of the Services. 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. By your signature on this Letter, you acknowledge that you understand that we will destroy our records related to this engagement upon the expiration of the period designated in our Record Retention Policy.

DISCLAIMERS AND LIMITATION OF LIABILITY

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.

We will use our professional judgment to resolve questions in your favor where a tax law is unclear if there is reasonable justification for doing so. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and

courts), we will explain the possible positions that may be taken on your return(s). We will follow whatever position you request; provided, it is consistent with the applicable law, regulations and interpretations that have been promulgated. You agree to advise us if you wish disclosure to be made in the return(s) regarding your position, or if you desire us to identify or perform further research with respect to any material tax issue for the purpose of ascertaining whether, in our opinion, there is substantial authority for the position proposed to be taken on such issue in your return(s). If the IRS or other taxing authority should later contest the position taken, there may be an assessment of additional tax, interest, and penalties. You agree that we shall assume no liability for any such additional tax, interest, and penalties or other fees and assessments. In addition, there may be times when another tax advisor is engaged to assist us in providing services. If you wish to take a tax position based upon the advice of another tax advisor, we must comply with Circular 230, §10.37(b) and AICPA SSTS No. 1 and 2, which require the position to meet the "realistic possibility," "substantial authority," or "more likely than not" standard, as applicable. You agree to obtain a written statement from the advisor confirming the standard that should apply so the position may be properly disclosed. If additional research or disclosure is required, you agree to pay for the additional charges necessary to complete the disclosure or research. Moreover, again you understand that the IRS, foreign, state or local tax authorities could disagree with the position taken on the return. If this occurs, you will be responsible for any additional tax, penalties and interest, as well as any related professional fees, you may incur.

Additionally, if you have asked us to rely on information provided by a third party in connection with the Services, please be advised that the professional standards do not require, and we necessarily cannot, verify the information provided by third parties and consequently disclaim any responsibility for the same.

By their nature, the Services are rendered based primarily on our professional judgment and experience and we warrant that the Services will be performed in a good and workmanlike manner under the same standard of care that a reasonable return preparer would exercise in this type of engagement. However, by executing this Letter, you acknowledge the provision of our Services unavoidably involves resolving questions where tax law is unclear, interpreting conflicts among the positions of various authorities regarding the law, and the application of general concepts to specific factual circumstances. It is impossible to guarantee the outcome of the Services or the impact on your tax position. As a result, the preceding warranty is our only warranty concerning the Services, any deliverable and any work product, and is made expressly in lieu of all other representations and warranties, express or implied.

It is our duty to prepare your returns based on the same standard of care that a reasonable tax return preparer would exercise in this type of engagement. Unless otherwise noted, the applicable standard of care for a "reasonable tax return preparer" shall be based upon the following pronouncements:

- the Statements on Standards for Tax Services ("SSTS") issued by the American Institute of Certified Public Accountants ("AICPA");
- U.S. Treasury Department Circular 230 ("Circular 230"), and
- the Internal Revenue Code, Treasury Regulations, and any applicable state/local corollaries (collectively, "the Code").

As tax return preparers, these pronouncements restrict our ability to sign a tax return when the tax positions you report do not comply with tax law. We will be unable to sign your return and may terminate our services if you:

- request that we report a tax position on your return which we feel is contrary to published guidance, frivolous, or a willful attempt to evade tax;
- request that we include a deduction, credit or refund on your return that we believe you do not qualify for; or
- decline to disclose a position where in our professional judgment tax law requires disclosure.

If we terminate our services because we are unable to sign your return, our engagement will be deemed to have been complete upon notification of termination, even if we have not completed your return. You agree to pay all our fees and expenses incurred if we cannot complete the returns.

To the maximum extent permitted by law, you agree that we shall not be responsible or liable, whether as a result of breach of contract, breach of warranty, negligence or otherwise, for any special, exemplary, incidental, consequential or punitive damages of any kind, however arising, including, but not limited to, damages for loss of time, inconvenience, lost profits or economic loss, and in no event shall our liability for all claims, damages and costs, including attorneys' fees, arising from the Services rendered under this Letter exceed an amount equal to the total fees paid by you for the Services. Any claim arising out of or relating to the Services or this Letter must be commenced within one (1) year after the conclusion of the engagement. Any action not brought within such one (1)-year period shall be barred despite any other limitations period set forth by either case law or statute.

PENALTIES

Federal, state and local taxing authorities impose various penalties and interest charges for non-compliance with tax law, including for example, failure to file or late filing of returns and underpayment of taxes. You as the taxpayer remain responsible for the payment of all taxes, penalties, and interest charges imposed by taxing authorities.

Federal law imposes a penalty equal to 20% of the underpayment of tax where taxpayers make a substantial understatement of their tax liability. A taxpayer has a substantial understatement if the understatement for the year exceeds the greater of 10% of the tax liability or \$5,000. However, under a special rule, a corporation has a substantial understatement if the understatement for the year exceeds the lesser of 10% of the tax liability (or, if greater, \$10,000) or \$10,000,000. A taxpayer may qualify for the substantial authority exception by showing they reasonably believe that the tax treatment of an item is more likely than not the proper tax treatment if:

- The taxpayer analyzes the pertinent facts and authorities and, in reliance on that analysis, reasonably concludes in good faith that there is a greater than 50% likelihood that the tax treatment of the item will be upheld if challenged by the IRS; or the taxpayer reasonably relies in good faith on the opinion of a professional tax advisor's conclusion that there is substantial authority on the tax treatment of an item.

- The relevant facts affecting the item's tax treatment were adequately disclosed on Form 8275 or 8275-R, attached to the return, and there was reasonable basis for the position.

Federal law also imposes a substantial penalty on taxpayers and preparers for failure to disclose "reportable transactions." Reportable transactions are potentially abusive transactions identified by the IRS whose primary purpose is tax avoidance. You agree to advise us of any reportable transactions identified under tax law and regulations. You agree that it is solely your decision to disclose any reportable transactions in the returns that we prepare for you.

The Tax Cut and Jobs Act of 2017 added additional penalties and thresholds related to the Section 199A deduction. The accuracy related penalty under Code Section 6662 is reduced so that it applies to any understatement that exceeds the greater of \$5,000 or 5% of the tax required to be shown on the return. Normally, this would be 10%.

MEANS OF COMMUNICATION

In the course of providing the Services, we may communicate by electronic means such as email or facsimile transmission. Such communications may include information that is confidential to you. While we will use our best efforts to keep such communications secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent, and you consent to our use of these electronic means of communication. You agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of electronic transmissions.

RESOLUTION OF DISPUTES

If a dispute arises out of or relates to the Services or this Letter, and if the dispute cannot be settled through negotiation between you and us, then the parties agree first to attempt in good faith to settle the dispute by mediation. The costs of any mediation proceedings shall be shared equally by you and us.

In the event we are required to initiate litigation to recover amounts owed on past due invoices and we are successful in recovering any amount owed, we shall be entitled to recover our reasonable attorneys' fees and costs incurred in the litigation from you.

GOVERNING LAW AND JURISDICTION

This Letter shall be governed by and construed in accordance with the laws of the state of Indiana, without regard to the conflicts of law rules thereof. By signing below, you hereby submit to the jurisdiction of the United States District Court of the Southern District of Indiana or a state court of Indiana in any action or proceeding arising out of or relating to this Letter, and hereby agree that all claims in respect of any such action or proceeding shall be heard and determined in such courts.

GENERAL

Our policy is to provide all requested advice in writing. Therefore, you should not rely on any unwritten advice because it may be tentative and not fully reviewed.

Our advice and the Services are only applicable to the specific facts and circumstances presented to us. As a result, our advice is solely for your benefit and may not be relied upon by any other persons without our prior written consent, in our sole discretion.

It is agreed and understood that you will remain solely responsible for any tax, penalties or interest resulting from any adverse determination by the Internal Revenue Service or a court of law. Our provision of the Services is based on tax reference materials, facts, assumptions and representations that are subject to change. We assume no continuing obligation to notify you of changes in the tax law, legislative or administrative changes, or future judicial interpretations.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the return, but management must make all decisions with regard to those matters. Further, we reserve the right to withdraw from this engagement without completing the returns if you fail to comply with the terms of this Letter. If any portion of this Letter is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Letter.