

PASCARELLA & PYRCH-BOWLAN ACCOUNTING GROUP, LLC

# Client Service Agreement

Between

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(CLIENT)

And

Pascarella & Pynch-Bowlan Accounting Group, LLC  
(ACCOUNTANT)

This Client Service Agreement outlines the services and prices selected by Client for services to be performed by ACCOUNTANT which are discussed, elected, and agreed to by CLIENT.

## CLIENT SERVICE AGREEMENT

**PASCARELLA & PYRCH-BOWLAN ACCOUNTING GROUP, LLC (herein referred to as ACCOUNTANT) AGREES** to perform the following:

The below CLIENT-selected monthly services for a MONTHLY FEE OF \$ \_\_\_\_\_ based on \_\_\_ hours per month at \$ \_\_\_\_\_ hourly rate **OR** at a standard hourly rate of \$ \_\_\_\_\_ **AND** also based upon the following services:

- A. Weekly, Bi-Weekly, or Monthly Transaction Recording (Bookkeeping)  
ACCOUNTANT will ensure that all of CLIENT'S expenses and incomes are correctly recorded on a weekly, bi-weekly, or monthly basis as determined by CLIENT'S needs.
- B. Invoice, Billing, and Estimate Preparation, Accounts Payable and Accounts Receivable  
ACCOUNTANT will prepare CLIENT'S invoices, billing statements, and any required estimates on a weekly, bi-weekly, or monthly basis as determined by CLIENT'S needs. This also includes accounts payable (A/P) and accounts receivable (A/R).

- C. Payroll Services

**Payroll Services Definitions**

**Full Service Payroll:**

ACCOUNTANT is responsible for entering the employer information, employee information, and payroll data. The accountant does the payroll processing, payroll reporting and compliance.

**Semi-Service Payroll:**

CLIENT enters the employer information, employee information, and payroll data. The accountant is responsible for payroll processing, payroll reporting, and compliance.

**Client Entry Payroll:**

CLIENT enters the employer information, employee information, and payroll

data. The client (employer) is also responsible for payroll processing, payroll reporting, and compliance.

ACCOUNTANT will enter, or review, CLIENT's payroll data based on the selected level of service and pricing below:

**Bi-Weekly/Semi-Monthly/Monthly Payroll Periods**

- Full Service Payroll:  
\$40.00 per payroll period plus \$1.00 per employee per payroll processing
- Semi-Service Payroll:  
\$35.00 per payroll period plus \$1.00 per employee per payroll processing
- Client Entry Payroll:  
\$30.00 per payroll period plus \$1.00 per employee per payroll processing

**Weekly Payroll Periods**

- Full Service Payroll:  
\$30.00 per payroll period plus \$1.00 per employee per payroll processing
- Semi-Service Payroll:  
\$25.00 per payroll period plus \$1.00 per employee per payroll processing
- Client Entry Payroll:  
\$20.00 per payroll period plus \$1.00 per employee per payroll processing

- D. Preparation of Sub-ledgers and Journals
  - General Ledger
  - Cash Receipts Journal
  - Bank Reconciliation for Account(s)
  - General Journal
  - Sales Journal
  - Credit Card Reconciliation

E. Preparation of Financial Reports (Provided Monthly or Quarterly as Requested by CLIENT)

Income Statement (Profit and Loss)

Cash Flow Statement

Balance Sheet

On-site Review of Reports

F. Financial Statements Analysis (at **our current Accounting hourly rate**)

Ratios analysis

Time-Series/Cross-Sectional Ratio Analysis

Cash Flow Analysis

Financial Statements Forecast

G. Monthly, Quarterly, Yearly Filing with Government Agencies (Federal and Local State) at our **current filing rate (per filing, per number of months, per form)**

Sales and Use Tax  Estimated Tax

Business Entity Tax  Employer's Quarterly Federal Tax Form (941)

State Annual Report  Employer's Annual Federal Unemployment (940)

2. **ACCOUNTANT AGREES** to provide the following services at **our current rate-by-form**:

Preparation of Form 1040 (with related personal Schedules)

Preparation of Schedule C tax return (Sole-Proprietor/SMLLC)

Preparation of Form 1120 or 1120S (C- or S-Corporation)

Preparation of Form 1065 (Partnership/MMLLC)

Preparation of Form K-1

Tax Planning and Consultation

W-2s/1099-MISC (at no charge with Payroll Services)

W-3/1096 (Federal and State)

\_\_\_\_\_

3. BACK-WORK FEE to bring CLIENT records current will be at the standard rate of \$ \_\_\_\_\_ per hour **OR** at a flat fee of \$ \_\_\_\_\_ (the flat fee applies to bring the records up-to-date for the following period: \_\_\_\_\_ to \_\_\_\_\_).
4. If CLIENT's records need clean-up procedures to be performed, CLIENT is aware of the additional time ACCOUNTANT will spend on said procedures and agrees to the charges at the current hourly rate.
5. The MONTHLY FEE will NOT be increased by ACCOUNTANT for one year unless CLIENT activity increases or decreases substantially. New clients are subject to an initial 90-day review to make such determination.
6. If applicable, a one-time, non-refundable, setup fee of \$ \_\_\_\_ will be incurred by CLIENT. The setup includes CLIENT file, Chart of Accounts, online banking, and any other requirements specified by CLIENT.
7. **CLIENT AGREES:**
  - A. To furnish ACCOUNTANT with true and complete information necessary for ACCOUNTANT to perform its services.
  - B. To pay fees at the time materials and services are completed, unless otherwise agreed to herein in writing. Regular services may be interrupted by an overdue account, thus, CLIENT AGREES to be diligent and prompt with payment.
  - C. To hold ACCOUNTANT harmless such that ACCOUNTANT will not be liable or responsible for any claims or damages from whomsoever arising out of or attributable to the operations or performance of services for or on behalf of CLIENT by ACCOUNTANT. In any event, any liability of ACCOUNTANT for any matters shall be limited to the amount of its MONTHLY FEE to CLIENT if services were agreed upon a determined number of hours per month OR to the amount of its total number of hours at the standard rate outlined in line item number 1, for the month in which the dispute occurred.
8. **CLIENT CONFIDENTIALITY:** All CLIENT information received is treated with confidentiality and respect. Records that may be taken off CLIENT premises are stored securely until returned to CLIENT. Records are always secured in a locked metal filing cabinet, unless they are currently being worked on by ACCOUNTANT's staff. All



electronic records are on a secure computer system with a system's password protection, CLIENT's file password protection, data encryption, and firewall protection.

9. ACCOUNTANT guarantees CLIENT's satisfaction. If CLIENT is not satisfied with ACCOUNTANT's provision of accurate financial statements in a timely fashion, CLIENT will write a letter within seven (7) days of the date they were provided to CLIENT and CLIENT will not be charged for such statements if said statements' fees were not include in CLIENT's monthly fee.

If the provision of such statements is included in CLIENT's MONTHLY FEE, ACCOUNTANT will NOT charge CLIENT for an amount equals to fifty (50) percent the total of MONTHLY FEE.

If MONTHLY FEE had already been paid by CLIENT, ACCOUNTANT will promptly issue a refund for the amount aforementioned.

PASCARELLA & PYRCH-BOWLAN ACCOUNTING GROUP, LLC

# Engagement Letter

Between

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(CLIENT)

And

Pascarella & Pynch-Bowlan Accounting Group, LLC  
(ACCOUNTANT)

This Engagement Letter provides the terms and conditions for services to be performed by ACCOUNTANT which are discussed, elected, and agreed to by CLIENT.

ENGAGEMENT LETTER

Client Contact: \_\_\_\_\_

Client Name: \_\_\_\_\_

Client Address: \_\_\_\_\_

\_\_\_\_\_

Dear \_\_\_\_\_:

(Client Contact)

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

We will provide all the services that have been selected by Client in the Client Service Agreement.

We will not audit or review your financial statements, or any other accounting documents and information you provide, in accordance with generally accepted auditing standards. Accordingly, we ask that you not, in any manner, refer to this as an audit or review. Nor will we otherwise verify the data you submit to us for accuracy or completeness. Rather, we will rely on the accuracy and completeness of the documents and information you provide to us. Accordingly, our engagement cannot be relied upon to disclose errors, fraud, or other illegal acts that may exist. However, it may be necessary to ask you for clarification of some of the information you provide, and we will inform you of any material errors, fraud or other illegal acts that come to our attention, unless they are clearly inconsequential. In addition, we have no responsibility to identify and communicate significant deficiencies or material weaknesses in your internal controls as part of this engagement, and our engagement cannot, therefore, be relied upon to make disclosure of such matters.

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Phone (203) 815-5045 | Fax (203) 404-7787

E-Mail: [associates@ppbaccountinggroup.com](mailto:associates@ppbaccountinggroup.com)

You are responsible for adopting sound accounting policies, for safeguarding assets, for authorizing transactions, for retaining supporting documentation for those transactions, and for devising a system of internal controls that will, among other things, help assure the preparation of proper financial statements. Furthermore, you are responsible for management decisions and functions, for designating a competent employee to oversee any of the services we provide, and for evaluating the adequacy and results of those services.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the CLIENT involving (a) management (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the CLIENT received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Prior to preparation and execution of this engagement letter, we discussed with you the fact that we provide clients with levels of service higher than bookkeeping, such as audit, review, and compilation services, and we explained to you the manner in which such levels of service differ from bookkeeping. We also explained to you that we provide clients with services specifically focused on identifying and addressing weaknesses in internal controls (internal control review), and on searching for the existence of fraud within your company (fraud audit). We further explained the additional costs associated with such higher and different levels of service. After consideration of such services, you have informed us that you wish to retain us to perform only the bookkeeping services described in this letter.

In order for us to complete this engagement, and to do so efficiently, we require unrestricted access to the following documents and information concerning your company:

1. Copies of basic documents reflecting your financial transactions, including check stubs, summaries of cash receipts and sales (cash and charge), bank statements and canceled checks, listings of accounts receivable and accounts payable, and documentary support of property and equipment transactions-purchases, trades, sales, and other dispositions;

2. Information concerning any mortgage or pledge of business assets on business debts, any personal guarantees or debt, leases, or other information that affects or may affect the results of operations of the business;
3. Any other financial information necessary for purpose of reflection on your accounting records, trial balance and tax returns;
4. Identification of all cash receipts as to source (i.e., loans, sales, etc.), and information concerning all transactions that are consummated with cash.

Any failure to provide such documents and information, and to do so on a timely basis, will impede our services, and may require us to suspend our services or withdraw from the engagement. You agree to accept responsibility for any effect on your accounting records and financial statements of basic financial information or transaction documents not submitted to us for processing and entry, or losses that may result from their absence.

As business conditions, or needs, change, we may mutually agree to change or modify this arrangement.

Our fees and costs will be billed monthly for the hours worked during the month at the rate agreed upon at the top page of this Agreement, and are payable upon receipt. Invoices unpaid thirty (30) days past the billing date may be deemed delinquent, and are subject to an interest charge of one and one half (1.5) percent per month. We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed delinquent. In the event that any collection action is required to collect unpaid balances due us, you agree to reimburse us for our costs of collection, including attorneys' fees.

If we elect to terminate our services for nonpayment, or for any other reason provided for in this letter, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us through the date of termination.

It is our policy to retain engagement documentation for a period of seven years, after which time we will commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement, those documents

will be returned to you promptly upon completion of the engagement, and you will provide us with a receipt for the return of such records.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our standard hourly rates then existing for the time we expend in connection with such response, and to reimburse us for all of our out-of-pocket costs incurred in that regard.

In the event that we become obligated to pay any judgment, fine, penalty, or similar award or sanction; agree to pay any amount in settlement; and/or incur any costs, as a result of a claim, investigation, or other proceeding instituted by any third party, including any governmental or quasi-governmental body, and if such obligation is a direct or indirect result of any inaccurate or incomplete information that you provide to us during the course of this engagement, whether intentionally or negligently, and not any failure on our part to comply with professional standards, you agree to indemnify us, defend us, and hold us harmless against such obligations, agreements, and/or costs.

You agree that any dispute that may arise regarding the meaning, performance or enforcement of this engagement will, prior to resorting to litigation, be submitted to mediation, and that the parties will engage in the mediation process in good faith once a written request to mediate has been given by any party to the engagement. Any mediation initiated as a result of this engagement shall be administered within the county of New Haven, Connecticut, according to its mediation rules, and any ensuing litigation shall be conducted within said county, according to Connecticut law. The results of any such mediation shall be binding only upon agreement of each party to be bound. The costs of any mediation proceeding shall be shared equally by the participating parties.

Any litigation arising out of this engagement, except actions by us to enforce payment of our professional invoices, must be filed within six (6) months from the accrual of the cause of action, notwithstanding any statutory provision to the contrary. In the event of litigation brought against us, any judgment you obtain shall be limited in amount, and shall not exceed

the amount of the annual fee charged by us, and paid by you, for the services set forth in this engagement letter.

This engagement letter is contractual in nature, and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all of the parties.

If, after full consideration and consultation with counsel if so desired, you agree that the foregoing terms shall govern this engagement, please sign the copy of this letter in the space provided on the next page and return the original signed letter to us, keeping a fully-executed copy for your records.

Thank you for your attention to this matter, and please contact us with any questions you may have.

Very truly yours,

Pascarella & Pyrch-Bowlan Accounting Group, LLC

**ACCEPTED AND AGREED:**

\_\_\_\_\_  
CLIENT

\_\_\_\_\_  
Authorized Client Agent (Print Name)

\_\_\_\_\_  
Authorized Client Agent (Signature)

\_\_\_\_\_  
Its: [Title]

\_\_\_\_\_  
Date

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PASCARELLA & PYRCH-BOWLAN ACCOUNTING GROUP, LLC

# Retainer Agreement

Between

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(CLIENT)

And

**Pascarella & Pynch-Bowlan Accounting Group, LLC**

(ACCOUNTANT)

This Retainer Agreement provides the terms and conditions for services to be performed by ACCOUNTANT which are discussed, elected, and agreed to by CLIENT.

## RETAINER AGREEMENT

THIS RETAINER AGREEMENT (hereinafter referred to as the "Agreement") made effective as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ BY AND BETWEEN: **Pascarella & Pyrch-Bowlan Accounting Group, LLC**, a Connecticut limited liability company with principal office at 81 Gerrish Avenue, East Haven, CT 06512 (hereinafter referred to as the "Accountant") AND

\_\_\_\_\_, a \_\_\_\_\_

**(Client Name)** \_\_\_\_\_ **(State and Business Structure)**

with principal office at \_\_\_\_\_

**(Address, City, State, Zip Code)**

(hereinafter referred to as the "Client").

**WHEREAS** the Client desires to retain the Accountant to provide accounting and other such services to the Client and the Accountant hereby accepts such engagement and agrees to perform the Services herein described for the Client subject to the terms of this Agreement.

**NOW THEREFORE** the parties agree as follows:

1. **SERVICES.** For and during the term of this Agreement, the Accountant shall provide accounting and taxing services as required and requested by the Client in connection with its business. These services shall include without limitation to preparation of monthly financial statements and all tax returns. The Accountant shall also provide all financial advisory services as may be requested from time to time by the Client.
2. **TERM.** This Agreement shall commence on the date first above written and shall continue for a period of \_\_\_\_ year(s), unless earlier terminated in accordance with the terms of this Agreement. This Agreement shall thereafter be renewed by either party for an additional term of \_\_\_\_ year(s), on the same terms and conditions as set forth herein by giving prior written notice to the other party of its intent to renewal.
3. **RETAINER FEE.** In consideration of the services, the Client agrees to pay the Accountant an annual retainer fee at the rate of \$\_\_\_\_\_. This retainer fee shall be paid in equal monthly installments payable on the first business day of every month commencing on \_\_\_\_\_.

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4. **EXPENSES.** In addition to the retainer fee, the Client agrees to reimburse Accountant for all pre-approved expenses incurred by the Accountant in providing the services to the Client hereunder. Such expenses shall include reasonable out-of-pocket expenses and travel expenses when applicable. All expenses shall be reimbursed within thirty (30) days of Accountant's submission of an itemized bill to the Client.
5. **PAYMENT.** The Accountant shall invoice the Client at the end of every month for Services, additional products and services, and allowable expenses incurred during that month. Client shall pay Accountant for all sums billed not later than \_\_\_\_\_ days after receipt of an invoice.
6. **UNPAID INVOICES.** All invoices not paid within 30 days will bear interest at the rate of eighteen (18) percent per annum until paid.
7. **INDEPENDENT CONTRACTOR.** The parties hereto acknowledge that in providing the services under this Agreement the Accountant acts as an independent contractor under the control of the Client. The Accountant is not an employee or partner of the Client and the Accountant shall have no authority whatsoever to bind the Client by contract or Agreement of any kind other than as expressly provided under the terms of this Agreement. The Client shall not withhold federal or state/local income taxes or any other amounts from the Accountant's fees payable hereunder.
8. **CONFIDENTIALITY.** The Accountant acknowledges that, in the course of providing the Services hereunder, the Accountant will have access to confidential information about the Client's business. The Accountant agrees to keep all such information strictly confidential and not use it for the Accountant's own benefit nor disclose or divulge any of such confidential information directly or indirectly to any third party either during the term of this Agreement or at any time thereafter, except as required in the course of this engagement with the Client. The Accountant further agrees that upon expiration or earlier termination of this Agreement, or whenever requested by the Client, the Accountant shall immediately deliver to the Client all such files, records, documents, specifications, information, and other items in its possession or under its control. The parties acknowledge that the provisions of this Section shall not apply to any information which is required to be disclosed by any federal, state/provincial or municipal law, rule or regulation or by any applicable judgment, order or decree or any court or governmental body or Accountant having jurisdiction in the premises. The

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obligations under this Section are continuing and shall not cease on termination or expiration of this Agreement.

9. **TERMINATION.** Client may terminate this Agreement by giving thirty (30) days prior written notice to Accountant. Accountant may terminate this Agreement by giving thirty (30) days prior written notice to Client. Within thirty (30) days after termination, Client shall promptly pay Accountant all monies due and not previously paid to Accountant for the work completed up until the date of termination. If Accountant commits any act or omission or fails to make due and proper performance, and which constitutes a breach of any obligation required on its part to be performed or observed under this Agreement, and fails to remedy such default within twenty-four hours Client may, without prejudice to any other right or remedy, terminate this Agreement wholly or in part by serving the Accountant a notice in writing. In such an event, all fees due to Accountant shall be retained by Client.
10. **PROFESSIONAL OBLIGATIONS.** Accountant shall perform all services hereunder in accordance with generally accepted accounting practices and principles. This Agreement shall be subject to the laws, rules and regulations governing the accounting profession imposed by governmental authorities or any professional associations of which Accountant is a member.
11. **ASSIGNMENT.** This Agreement is not assignable by either party without the prior written consent of the other party hereto. Accountant shall not delegate all its duties and obligation hereunder to any other person or corporation without Client's prior written consent.
12. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the laws of the State of Connecticut.
13. **NOTICES.** All notices under this Agreement shall be in writing and sent by first-class mail, postage prepaid, to the address mentioned above. Either party may, from time to time, change such address by prior written notice to the other. Any notice to be given hereunder by any party to the other, may be affected either by personal delivery in writing, or by mail, registered or certified, postage pre- paid with return receipt requested.
14. **COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such  
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counterparts, and all of which together shall constitute one and the same instrument. A facsimile signature shall be considered the same as an original.

15. **ARBITRATION.** The parties hereto agree that any dispute between them arising out of or relating to this Agreement shall be settled exclusively by arbitration. Such arbitration shall be conducted in accordance with the commercial arbitration rule then in force in the State of Connecticut. The arbitration award shall be final and binding on both parties. Judgment upon such arbitration award may be entered in any court having jurisdiction.
16. **ENTIRE AGREEMENT.** This Agreement constitute the entire Agreement between the parties to this Agreement pertaining to the subject matter hereof and supersede all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements between the parties in connection with the subject matter of this Agreement except as specifically set forth herein. No alteration, amendment, addition or modification of or to this Agreement shall be binding unless the same is in writing executed by each of the parties.
17. **SEVERABILITY.** If any provision herein is determined by a court of competent jurisdiction to be indefinite, invalid, illegal or otherwise unenforceable, in whole or in part, for any reason, the remainder of this Agreement shall continue in full force and effect and shall be construed as if such indefinite, invalid, illegal or unenforceable provision had not been contained herein.



**IN WITNESS WHEREOF** the parties hereto have executed this Agreement on the date first above written.

\_\_\_\_\_  
CLIENT

\_\_\_\_\_  
ACCOUNTANT

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

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