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AGREEMENT BETWEEN: **MEUK Corporation**

(Hereinafter called "MEUK")
AND

___ **Inc. (clarify legal name)**
and related companies
(Hereinafter called the "CLIENT")

It is hereby agreed that MEUK will review the records of the client for the purpose of identifying and obtaining income tax refunds and/or credits in regards to scientific research and experimental development (hereinafter called SR&ED).

The client will have use of the rdbase.net SR&ED tracking system included in the overall structure of MEUK's fee. If no fees are payable to MEUK under this Agreement in any year, the use of the tracking system shall be at no cost for that year.

When SR&ED qualifying projects and expenses are identified, MEUK, in conjunction with the client, will do the required work to claim the amounts and/or the credits. In order to do this, the client will provide MEUK with the necessary information to conduct this review and all related tax assessments (immediately upon receipt).

For each of the fiscal years that any of these services are performed by MEUK, the client shall pay to MEUK 20% +HST of the total gross reimbursement of tax credits obtained, including any interest, payable the earlier of when the reimbursement of credit is made available or in the case of a set-off of any fiscal debt, at the time of assessment.

Payment conditions:

- a) In the event that a credit is held due to delinquent filing of tax returns, MEUK's fee is due and payable immediately.
- b) In the event that a credit is assessed but MEUK is not paid within 30 days of the assessment date, MEUK's fee will be increased by a 15% penalty and will be due and payable immediately.

MEUK and their representatives undertake to keep any information, to which they may have privileged access, in strictest confidence. Your signing of this engagement letter will represent acceptance of these terms and will continue, until cancelled via written notice by either party.

for the CLIENT [Authorized signing officer]

for MEUK Corporation

Title

Title

Date

Date

THE OFFICE OF DAVID SABINA

CHARTERED ACCOUNTANT

3017 St. Clair Avenue
Suite 155
Burlington, Ontario
L7N 3P5

Phone: (905) 334-2946
Facsimile: (905) 631-0698
dsabina@meuk.net

August 14, 2010

____ **Inc.**
Attention:

Re. SR&ED tax credit support services

Dear ,

I am summarizing the terms, nature and extent of our services, which include financial and tax preparation activities related to your SR&ED claim. This letter is intended to clarify the nature of activities to be provided by our office, in relation to the overall engagement envisioned by MEUK Corporation (as attached).

Deliverables:

1. Having worked with MEUK Corporation to identify and document the scientific projects, we then work with your accounting department to quantify the relevant SR&ED expenditures.
2. We will provide direction to you and your external accountants as to available GAAP¹ alternatives with respect to disclosure of both the research expenditures and tax credits in the accounting records of the company.
3. We will work directly with your external accountant to prepare the tax forms required for SR&ED tax credit filings.
 - a. In the case of current year filings, we suggest that:
 - i. the draft (pre-SR&ED) tax return be completed and emailed to us.
 - ii. We will complete all required SR&ED forms and
 - iii. email the proposed final returns to you final review.
 - iv. Once all parties are in agreement, the office of David Sabina C.A. will complete, assemble and deliver the Federal and Ontario income tax returns.
 - b. In the case of prior years, we can file all required objections or amendments.

In both cases, these forms and calculations are supported by a complete "R&D Investment file," a copy of which is yours to keep to assist in the Canada Revenue Agency (CRA) Audit process.

¹ Generally accepted accounting principles

4. It is the CRA's practice to audit every single claim prior to allowing the incentives. It has been our experience that the "R&D Investment" file can be used to support both the technical and financial details of the claim. Generally, we do not find it necessary to attend the SR&ED tax audit however we remain available to explain and support the approach taken.
5. We will endeavour to keep you up to date on relevant tax and legislative changes that would affect you and your corporation as they occur in the fast changing and politically sensitive area of Research and Development expenditures.

Terms and requirements:

We understand that you will provide us with the information necessary for us to provide you with these services. Any review prepared will be completed without audit, but with a review consisting of enquiry, comparison and discussion, and as such, our relationship to your company will be that of tax advisors and not auditors or accountants. **As such, we recommend that you provide your auditors or accountants with a copy of this letter to clarify the complimentary nature of our services.**

If we assemble the complete Federal and Ontario corporate income tax returns (step 3 a) we propose an additional fee of \$500. Otherwise, the charges for our work will be paid to us directly by MEUK Corporation and are included in the MEUK Corporation engagement letter. We are also available to perform additional tax related services at fees to be quoted separately.

Limitation on liability for late filing (beyond 15 months of year end):

The absolute filing deadline for corporate SR&ED returns is 18 months from the corporate year end. In the event that the corporation fails to provide any single piece of required information, the entire claim may be denied. The Canada Revenue Agency provides additional administrative relief for corporations which file within 15 months of year end (to submit the missing information) however, all other claims will be dismissed. **As a result, both MEUK Corporation and the Office of David Sabina, C.A., disclaim any liability for errors or omissions resulting from SR&ED claims filed more than 15 months after year end.**

Your signing of the MEUK engagement letter will represent acceptance of the terms of this letter.

We look forward to dealing with you over the future years and trust that we can be of substantial service to you.

Yours sincerely,

David Sabina, C.A.