

The following engagement letter has been modified as a result of some of the due dates being extended by the IRS and the U.S. Treasury on December 29, 2015, as follows:

	Form Numbers	Original 2016 Due Dates — Not Filing Electronically	Revised 2016 Due Dates — Not Filing Electronically	Original 2016 Due Dates — Filing Electronically	Revised 2016 Due Dates — Filing Electronically
To Employees	2015 Form 1095-B 2015 Form 1095-C	February 1, 2016	March 31, 2016		
To IRS	2015 Form 1095-B 2015 Form 1095-C 2015 Form 1094-B 2015 Form 1094-C	February 29, 2016	May 31, 2016	March 31, 2016	June 30, 2016

For more information regarding the due date extensions, see Notice 2016-4 at this link:

<https://www.irs.gov/pub/irs-drop/n-16-04.pdf>

The extended due dates have been updated and are included in the letter below.

REVISED Preparation of Information Returns under the Affordable Care Act (Form 1094-C: *Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns* and Form 1095-C: *Employer-Provided Health Insurance Offer and Coverage*)

<Date>

<Client Representative>

<Client Name>

<Client Address>

Dear <Client Representative>:

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

We will prepare <Client Name>'s **2015 Form 1094-C: *Transmittal of Employer-Provided Health Insurance Offer and Coverage Information Returns***, and the applicable **2015 Form 1095-C: *Employer-Provided Health Insurance Offer and Coverage (Parts I and II)*** for each employee from the information you provide to us. As you have confirmed with us that you do not offer a self-insured plan, we will **not** be completing **Part III** of the **Form 1095-C**. We will not audit or verify the data submitted, although we may ask you to clarify it, or furnish us with additional data.

Due dates for the required forms are as follows: Form 1095-C must be provided to each employee by March 31, 2016; Form 1094-C (transmittal) and copies of each Form 1095-C are due to the IRS by May 31, 2016, or by June

30, 2016, if filing electronically. If your company files 250 or more Forms 1095-C, you will be required to file electronically.

In performing our engagement, we will be relying on the accuracy, completeness and reliability of the payroll, benefits and employee information you provide us. As our services are limited in nature, they cannot be relied upon to detect errors, fraud or illegal acts that may exist. However, we will inform you of any material errors or fraud that come to our attention and any illegal acts that come to our attention, unless clearly inconsequential.

[For attest clients include the following language in your engagement letter: By your signature below, you acknowledge that you are responsible for management decisions and functions. That responsibility includes designating qualified individuals with the necessary skill, knowledge and/or experience to be responsible and accountable for overseeing all the specific services we perform as part of this engagement, as well as evaluating the adequacy and results of the services performed. You are responsible for establishing and maintaining internal controls, including monitoring ongoing activities.]

It is our policy to keep records related to this engagement for <number> years. However, <Firm Name> does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect them for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the <number>-year period, <Firm Name> shall be free to destroy our records related to this engagement.

By your signature below, you acknowledge and understand that we will not be responsible for advising you with respect to independent contractor status as part of our services. If you have any questions regarding the classification of employees versus independent contractors, we strongly encourage you to consult with legal counsel experienced in employment practice matters.

Management is responsible for the design, implementation and administration of applicable policies that may be required under the Affordable Care Act. As <Firm> is not rendering any legal services as part of our engagement, we will not be responsible for advising you with respect to the legal aspects of your company's compliance with the Affordable Care Act. By your signature below, you understand and agree that management is responsible for the accuracy and completeness of the records, documents, explanations, and other information that you provide to us as may be required for <Client> to comply with the Affordable Care Act. As management has the final responsibility for the forms prepared under this engagement, management agrees to have a qualified representative, preferably within management, review the forms carefully before they are submitted.

<Specify fee structure.>

If a dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the <Name of Association> under its applicable rules for resolving professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the <Name of Association>, except that under all circumstances the arbitrator must follow the laws of <Name of State>. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION. The

prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

If the foregoing is in accordance with your understanding, please sign the copy of this letter in the space provided and return it to us. Thank you for this opportunity to serve you.

Very truly yours,

<Accountant Name>

<Firm Name>

Accepted:

<Client Representative>

<Client Name>

Date