

\$1 Million Tax Audit Defense Membership Program Agreement

The terms and conditions of this Membership Agreement (the "Agreement") govern the **Protection Plus \$1 Million Tax Audit Defense Membership Program** ("**Program**") provided to members of the Program ("**Members**") by Tax Protection Plus, LLC and the American Advantage Association (cumulatively referred to as "**Company**"). By accepting enrollment in the Program, you are agreeing to the terms of this Agreement.

1. Definitions: The following definitions are applicable to the Agreement.

- a. "**Tax Software Provider**" means the company providing the tax software that the **Taxpayer** used to prepare and transmit their tax return to the IRS and/or state taxing authority and through which **Taxpayer** enrolled into the **Program**.
- b. "**Protection Plus \$1 Million Tax Audit Defense Membership Program**" (or the "**Program**") is a service program offered by **Company**.
- c. "**Return**" means an IRS acknowledged individual federal tax return form 1040 and 1040SR and/or a state acknowledged individual state tax return (if applicable) for the previous year's tax return and is not otherwise excluded in this Agreement.
- d. "**Negligence**" means failure on the part of the **Taxpayer** to exercise the care or apply the effort to research IRS and/or state tax codes, instructions and guidelines that a reasonably prudent person would exercise in their efforts to comply with IRS and/or state tax codes in the preparation of a tax **Return**.
- e. "**Taxpayer**" or "**Member**" means the individual (or individuals if filing a Joint **Return**) who completes an acknowledged **Return** and elects to enroll in the **Program** through the **Tax Software Provider** and for whom **Company** receives payment of the **Company Program Fee**.
- f. "**Program Fee**" is the fee charged by the **Tax Software Provider** and paid by **Member** for the **Program**.
- g. "**Company Program Fee**" is the **Company** established fee charged by **Company** for a **Taxpayer** to participate in the **Program** and paid to **Company** out of the total **Program Fee**.
- h. "**Company**" is Tax Protection Plus, LLC and the American Advantage Association

2. Services provided by Company under the Program: From the date the IRS or state (if applicable) has acknowledged transmission of your **Return** and **Company** receives payment of the **Company Program Fee** and for a period of three (3) years (for Federal **Returns**) and four (4) years (for state **Returns**) after the April filing deadline for the **Return** (the Membership Term), if the IRS or state audits or issues a letter or notice regarding the **Taxpayer's Return**, **Company** will provide the **Taxpayer** with the following services to be performed exclusively by **Company** representatives for up to \$1,000,000.00 in service fees at **Company's** then current retail rate structure for such services (collectively, the "Services"):

- 2.1 Evaluation of all related IRS and/or state correspondence.
- 2.2 Explanation of case requirements and the available options.
- 2.3 Professional IRS and/or state document review, consultation and organization.
- 2.4 Drafting of letters and other necessary correspondence with the IRS and/or state as needed.
- 2.5 Assistance with telephone communication with the IRS and/or state agent for explanations and discussions during the audit process.
- 2.6 Assistance with all IRS forms unless excluded below in section 3.
- 2.7 Assistance with denied credits when the **Return** is unfunded, including: Earned Income Credit, Child and Dependent Care Credit (form 2441), Education Credits, Child Tax Credit, Additional Child Tax Credit, Adoption Credit, Credit for the Elderly or Disabled, Savers Credit.
- 2.8 Assistance with rejected W-7 applications.
- 2.9 Assistance with IRS and/or state Identity Theft
- 2.10 Tax debt relief including but not limited to Installment Agreements, Offers in Compromise, Tax Penalty Abatement, Tax Liens, Wage Garnishment Relief, and Innocent Spouse Relief provided that **Taxpayer** meets all guidelines for approval of the applicable debt relief and pays all associated governmental fees. Note: Taxpayers with unpaid prior tax debt may not qualify for assistance with some or all tax debt relief options, including but not limited to Offers in Compromise.
- 2.11 Representation before the IRS or state taxing authority by a credentialed **Company** representative, when **Company**, in its sole discretion, determines such representation is necessary.
- 2.12 Legal representation in a federal or state tax court by a **Company** appointed tax attorney, when **Company**, in its sole discretion, determines such legal representation is the most advisable option.
- 2.13 The Services are subject to change, modification, or substitution at any time without notice to the **Member**. In order to receive Services, a **Member** must access the services as instructed.

3. Program Exclusions: The following types of tax returns and or Inquiries are specifically excluded. **Company** is under no obligation to provide **Taxpayer** with the Services in connection with such returns and or Inquiries:

- 3.1 Non-Resident returns.
- 3.2 Returns other than individual 1040 and 1040SR and individual state **Returns** including, but not limited to, corporate, partnership, trust, estate, gift and employment returns.
- 3.3 Returns in which the **Taxpayer** had knowledge of additional taxes owed as of the date **Taxpayer** enrolled in the **Program**.
- 3.4 Returns prepared with **Negligence**, recklessness, intentional misrepresentation or fraud.
- 3.5 Local, city and county tax returns.
- 3.6 Returns that have become subject to IRS or state criminal investigations.
- 3.7 Inquiries and/or notices related to foreign income, flow-through entities (partnerships and S-corporations as reported on Schedule K), court awards and damages, bartering income, cancelled debt, estate tax or gift tax.
- 3.8 Inquiries and/or notices related to the following credits: Foreign tax credit, Plug-in electric vehicle credit, Residential energy efficient property credit, Mortgage interest credit, Credit to holders of tax credit bonds, Health coverage tax credit, "Credit" for prior year minimum tax, "Credit" for excess railroad retirement tax withheld.
- 3.9 When there is a lack of clarity from the IRS and/or state taxing authorities, we may not be able to provide complete assistance.
- 3.10 Any services performed by any individual or company other than the Services performed by **Company** or a **Company** appointed representative.

4. Taxpayer Responsibilities: In order for **Company** to be obligated to provide the Services to **Taxpayer**, the **Taxpayer** agrees to take the following actions:

- 4.1 Contact the IRS and/or state (with the assistance of **Company**) per the audit notice received to request an extension of the deadline for responding.
- 4.2 Notify **Company** of any IRS correspondence or notice regarding the **Return** within thirty (30) days from the date of such notice along with a complete copy of the **Return**.
- 4.3 Provide **Company** any further assistance or documents as requested that support claims made on the **Return**.
- 4.4 Pay the **Program Fee**. In the event **Tax Software Provider** charges Taxpayer a **Program Fee**, **Taxpayer** agrees to pay the **Program Fee** by

either paying such fee directly to the **Tax Software Provider** or by authorizing the **Program Fee** to be deducted from any tax refunds due the **Taxpayer** for payment to the **Tax Software Provider**. **Taxpayer** understands that the **Tax Software Provider** may charge **Taxpayer** a **Program Fee** that is greater than the **Company Program Fee** and retain the difference for their services.

5. Disclosure of Information: **Taxpayer** hereby agrees that his/her specific **Taxpayer** information, including all information that **Taxpayer** has disclosed to the **Tax Software Provider** or has been included on the **Return**, may be disclosed by the **Tax Software Provider** to **Company** and used by **Company** in the manner consistent with this Agreement.

6. Payment of Company Program Fee: **Taxpayer** understands that **Tax Software Provider** is responsible for payment of the **Company Program Fee** and that **Company** is under no obligation to provide Services unless **Company** receives payment of the **Company Program Fee**.

7. Cancellation and Refund Option: If, for any reason, a **Member** is not satisfied with the **Program** and wishes to terminate his/her membership, the **Member** may cancel the membership by notifying **Company** in writing or by telephoning a **Program** representative. Membership in the **Program** shall terminate on the date that **Company** receives written notice of cancellation. Cancellations within the first 30 days of Membership may be eligible for refund.

8. Member Representations and Acknowledgements: In return for the Services available under the **Program**, the **Member** makes the following representations and acknowledgements:

8.1 **Member** has read this Agreement carefully, understands the **Program**, and understands the various billing methods for payment of the **Program Fee**.

8.2 **Member** may cancel his/her **Program** membership at any time before the conclusion of the Membership Term and may be entitled to a refund subject to the terms of Section 7 of this Agreement.

8.3 Membership in the **Program** and benefits thereunder are not assignable without the express written consent of **Company**. **Member** agrees that he/she will use his/her **Program** membership only for his/her personal benefit. A **Member's** violation of this paragraph 8.3 will result in immediate termination of the **Program** Membership.

8.4 **Member** acknowledges that **Company** bears no responsibility for the payment of (or contribution to) any use or sales tax that may be imposed by any state or federal taxing authority on the Services provided under the **Program**. Payment of such taxes, to the extent imposed, shall remain the sole responsibility of the **Member**.

8.5 **Member** understands that **Member** is responsible for paying the **Tax Software Provider** for their services rendered.

8.6 **Member** understands and agrees that the **Tax Software Provider** is an independent contractor, and that **Company** in no way is responsible for the Services provided by the **Tax Software Provider**.

8.7 **Member** understands and agrees that they will be enrolled as a member of the American Advantage Association to be eligible to receive the benefits of the **Program**.

8.8 **Member** understands and agrees that the **Program** is not insurance.

8.9 The **Taxpayer** represents and warrants that they have truthfully provided correct, accurate and complete information to the **Tax Software Provider** and to the best of **Taxpayer's** knowledge, the **Taxpayer** has truthfully, completely and accurately completed all tax return forms and due diligence worksheets and procedures in accordance with all applicable IRS and state (if applicable) rules, regulations, procedures, guidelines, publications and requirements, and that the Services provided under the **Program** are conditioned upon such completion.

9. Disclaimer: Failure to comply with procedure and strategy actions recommended by **Company** may result in an IRS and/or state (if applicable) ruling unfavorable to the **Taxpayer**. Failure or refusal to comply with requests or instructions from the IRS and/or state (if applicable) during the audit may result in adverse actions taken by the IRS to **Taxpayer's** detriment. In all cases, **Company** will not be held responsible for the outcome and reserves the right to cease providing services when reasonably warranted.

10. Disclaimer of Warranties: **Company** is not a **Tax Software Provider** or **Tax Preparer**, or a direct Provider of the tax services provided to **Members** other than the **Program**. ACCORDINGLY, **COMPANY** GIVES NO WARRANTY, EXPRESS OR IMPLIED, AS TO DESCRIPTION, QUALITY, MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE, PRODUCTIVENESS, OR ANY OTHER MATTER, FOR ANY SERVICES OR MERCHANDISE PURCHASED OR RECEIVED BY A **MEMBER** FROM A **TAX SOFTWARE PROVIDER**. **MEMBER** ACKNOWLEDGES THAT HE/SHE IS NOT RELYING ON **COMPANY'S** SKILL OR JUDGMENT IN SELECTING A **TAX SOFTWARE PROVIDER** FOR THE SERVICES PROVIDED TO **MEMBERS** BY THE **TAX SOFTWARE PROVIDER**. In the event any product or service (other than the **Program**) purchased or received by a **Member** from a **Tax Software Provider** is canceled, modified, defective, or otherwise unsatisfactory to the **Member**, the **Member** will look solely to the Provider, Seller, Merchant, or Manufacturer of the product or service for any repair, exchange, refund, or satisfaction of claim.

11. General Release: Each **Member** who uses the Services under the **Program** membership hereby forever releases, acquits and discharges **Company** and their employees, agents and affiliates from any and all liabilities, claims, demands, actions, and causes of action that such **Member** or **Member's** legal representative(s) may have by reason of any monetary damage or personal injury sustained as a result of or during the course of the use of any and all Services under the **Program**. The sole recourse available to a **Member** or **Member's** legal representative(s) against **Company** shall be cancellation of the **Program** membership as provided in Section 7 and any refund available as provided in Section 7.

12. Notices: Any and all notices, consents, approvals, requests, and other written communications given or required under the terms of this Agreement shall be deemed to have been duly given and served when sent by email, U.S. Postal mail, postage prepaid and addressed to the **Member**, at the address provided by the **Member**.

13. Entire Agreement: This Agreement sets forth the entire agreement and understanding of the parties with regard to membership in the **Program**. No representations, inducements, promises or agreements, or otherwise, shall be of any force or effect. The validity or unenforceability of any term of this Agreement shall in no way affect the validity or enforceability of any other terms or provisions of this Agreement. **Member** Acknowledges that **THE PROGRAM IS NOT INSURANCE**.

14. Binding Effect: This Agreement shall be binding upon and inure to the benefit of the parties as well as their respective successors and permitted assigns.

15. Governing Law: This Agreement shall be governed and construed in accordance with the laws of the State of North Carolina regardless of any application of principles regarding conflicts of laws.

16. Headings: The headings or captions provided throughout this Agreement are for reference purposes only and shall in no way affect the meaning or interpretation of this Agreement.

17. Waiver of Breach: Waiver of breach of any provision of this Agreement shall not be deemed a waiver of any other breach of the same or different provision.

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