

Proposal for Services presented to:

Company Logo

SMITH WINERY
August 5, 2013

Hellam | Varon
CERTIFIED PUBLIC ACCOUNTANTS

mgj
BUSINESS SOLUTIONS
WORLDWIDE

August 5, 2013



Jane Smith, CEO
Smith Winery
3 NE Main St.
Bellevue, WA 98004

Dear Jane:

Thank you for the opportunity to present this proposal for professional services to Smith Winery. Dave and I appreciated the time you spent with us discussing the needs, concerns and issues of management and the company. It helped us gain a greater understanding of how we may be of service to you. This is an exciting time in the development of Smith Winery, and we not only want to work with you, we would be pleased to be a part of helping your company grow and flourish.

Our Understanding of Your Needs

Based on our discussion, we understand you are looking for help in the following areas:

- **Preparation of reviewed financial statements**

You are requesting the preparation of a financial statement review, for the year ending August 31, 2013. We understand timeliness is of utmost importance to you, and therefore, we want you to be assured we will have completed your financial statements by December 31st.

- **Federal Income Tax Returns**

You are requesting the preparation of the 2012 Form 1120 U.S. Corporation Income Tax Return, for the fiscal year ending August 31, 2013. As with the financial statements, we assure you the corporate tax returns will be completed by December 31st.

- **Proactive Planning**

We monitor accounting and tax legislation that affects the agriculture and wine industries in order to implement any needed changes on a proactive basis instead of reacting to possible changes in these industries. The professionals at Hellam Varon & Company will meet a couple times of year, without cost to you, to discuss your business and operations amongst ourselves as well as any ideas that may benefit Smith Winery.

- **Team Approach**

We discussed with you our watchword - TEAMWORK - both internal and external. Unlike many CPA firms, our shareholders and directors do not operate as "islands of practice", each with his or her own clients and assigned staff. We recognize and encourage the unique strengths of our respective colleagues, and play to those strengths by teaming up as required for each client situation. This firm culture has led our employees to choose to stay with Hellam Varon, resulting in the extremely low turnover and exemplifying our firm motto: "We take our work very seriously, but we don't take ourselves too seriously!"

- **Ongoing Consulting**

As Hellam Varon gets to know you and your company, we will want to gain a solid understanding of your medium and longer term goals and strategies so we can assist management, as appropriate, in planning for the future. We are available to provide solutions to your questions throughout the year on various topics as they present themselves. We discussed most of the following with you at our meeting:

- Structuring your business for maximum tax benefit
- Allocation of overhead for tax purposes (263A)
- Multi-state tax consulting
- International tax consulting (evaluate the benefits of using an IC-DISC)
- Further discussion of succession planning
- Estate and trust planning, if applicable

These are but a few of the areas of service that go beyond traditional compliance work. We recognize the majority of our clients want assistance at the intersection of their business and personal needs. It is our specialty. We are committed to the financial success and well-being of both your business and your family.

- **Confidentiality**

Please be assured Hellam Varon maintains strict confidentiality in all client matters. We do not disclose confidential information to any person or entity without the prior consent of our clients, unless otherwise required by law or regulatory requirements. Confidential information includes without limitation: business records and plans, financial statements, tax returns, and other proprietary information.

Jane Smith, CEO
Smith Winery
August 5, 2013
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Proposed Fees

Our fees, excluding out of pocket expenses, will not exceed:

- | | |
|---|-----------------|
| 1. Reviewed financial statements | \$ 9,500 |
| 2. Preparation of 2012 Form 1120 U.S. Corporation Income Tax Return
and state returns for fiscal year ending August 31, 2013 | 5,000 |

These fee estimates are based on our current standard hourly rates which we discussed with you.

We believe we have compelling reasons for you to select Hellam Varon & Company as your accounting firm. Among these reasons is our relentless focus on service, quality, teamwork, efficiency, and cost effectiveness. We are committed to providing the breadth and depth of knowledge and skills you require and look forward to serving Smith Winery for many years to come.

We hope this proposal demonstrates our desire and expertise to provide the services needed by Smith Winery. Of course, if there is any more information that you need, please don't hesitate to ask!

We look forward to working with you.

Sincerely,

Neil Bretvick

Neil Bretvick, CPA
Shareholder

David Hoagland

David Hoagland, CPA
Shareholder

Jane Smith, CEO
Smith Winery
August 5, 2013

References

The following clients have given us permission to use their names as references. Please feel free to contact any or all of them.

XXX XXX

XXX-XXX-XXXX

xxx@hotmail.com

XXX XXXX

XXXXXX Cellars

XXX-XXX-XXXX

xxxxxx@gmail.com

XXX XXXXXX

XXXXXX Vineyard

XXX-XXX-XXXX

xxxxxx@hotmail.com

XXX XXXX

XXXXXX Winery

XXX-XXX-XXXX

xxxxx@hotmail.com

Jane Smith, CEO
Smith Winery
August 5, 2013

Re: Addendum to Proposal for Services dated August 5, 2013

The following is some additional information about Hellam Varon & Company in addition to some of our key strengths and the benefits you will receive by engaging us.

Firm profile

Hellam Varon & Company has provided innovative and effective tax, accounting, assurance and consulting services to our clients since 1981. Our dynamic team of experienced professionals is dedicated to meeting the needs of our clients. The growth and success of the firm can be directly attributed to, we believe, the manner in which we contribute to the success of our clients. More information about Hellam Varon & Company can be obtained by visiting our web site at www.hellamvaron.com.

International Connection

We are members of MGI, one of the largest alliances of independent auditing, accounting, tax, and consulting firms in the world. Our membership ensures we have access to the capabilities and knowledge required to effectively and efficiently provide services to our clients. Established in 1947, MGI has built its reputation based on the expertise, professionalism and personal service of its members. With over 161 members and a presence in 286 offices and 82 countries, MGI provides us with resources in various industries across all continents.

We are actively involved with MGI, having hosted the North American conference in 2010. We know and talk with many of our affiliates on a regular basis. This personal connection with the individual members of our affiliated firms across the USA and around the world directly benefits our clients and their businesses.

Why our firm is different

We are passionate about helping our clients through their business and life transitions, helping them navigate through difficult times when they are most vulnerable. We work with people who make a difference every day for our clients and each other in an atmosphere of trust, respect, admiration, and caring. We operate in a leadership role on the total advisory team for our clients, ensuring effective communication and action with all of the client's advisors. We treat our clients as we would each other, and we treat each other as we would our clients. We know how to have fun.

The size of our firm allows us to provide a variety of services for our clients, yet we are small enough that our shareholders, directors and associates are easily accessible to provide personal attention to client needs.

Jane Smith, CEO

Smith Winery

Re: Addendum to Proposal for Services

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Approach to financial review

We believe communication is the key not only to our performance of the review of your financial statements but our entire client/CPA relationship. We will always keep you apprised of our progress and any problems noted. In our experience, problems always have a solution and we believe a direct, proactive approach to solving them will yield the best result. Communication is the key to this process.

It is important to emphasize that we do not believe communication should only occur during year-end time. Our proposed relationship is one in which we are in communication throughout the year. We are only a phone call or email away for any routine questions or to assist with issues that come up during the year. We will also keep you apprised of any industry-specific pronouncements or other technical matters we note that arise during the year. In addition, our firm newsletter will be sent to you on-line each month, and the content will be focused on business matters.

We use technology to gain efficiencies whenever possible. Our firm utilizes a "paperless" environment for our workpapers and uses electronic transmissions whenever possible to reduce paper, time and postage. We prefer to receive information from our clients in an electronic format via email so we can directly import it into our workpapers. We also use a secure web-delivery service for confidential information.

Business Life Cycle Consulting

Whether a start-up company or an entity with international interests, Hellam Varon has a broad base of business knowledge and experience to help you navigate the ever changing business landscape. No matter where your organization is in its life cycle, we are able to assist you and your management team both operationally and strategically. Our Business Life Cycle services are grouped as follows:

- Ownership Structure
- Organizational Planning
- Financing Growth
- Strategic Planning
- Succession Planning
- Buying and Selling a Business
- Compensation Consulting
- Accounting Software Selection
- QuickBooks & Bookkeeping Services
- Estate and Trust Planning
- Retirement Planning
- Inventory observation analysis and control planning
- Collateral and operations review
- Review of internal controls
- Review/assist in preparation of forecasting and budgets
- Cash flow planning