



**August 30, 2019**

Ms. Barbara J. Addison, CPA  
Director of Finance  
City of Central Falls, Rhode Island  
580 Broad Street  
Central Falls, RI 02863

Re: Accounting Services for the year June 30, 2019 and 2020

Dear Ms. Addison

We are pleased to confirm our understanding of the amended terms and objectives of our engagement and the nature and limitations of the services Marcum LLP ("Marcum" or the "Firm") will provide to City of Central Falls, Rhode Island (the "Company") for the years ending June 30, 2020 and 2019 in addition to those outlined in our engagement letter dated May 20, 2019.

**Accounting Services**

We will perform daily, monthly and annual services that include:

- Post coded transactions to the Company's general ledger. You must code all check stubs/checks as to the proper account number for recording in the general ledger.
- Proposing adjusting or correcting journal entries to be reviewed and approved by the Company. If while reviewing the journal entries you determine that a journal entry is inappropriate or incorrect, it will be your responsibility to contact us to correct it.
- Preparing a trial balance based on the adjusted general ledger.
- On a monthly basis we will reconcile your checking, savings and money market accounts with your bank statements and disclose any errors discovered. We will make correcting entries, once they have been approved by you. However, see below for certain responsibilities that remain with you that cannot be delegated to us.
- Performing the bookkeeping function of the Company by recording all cash receipts and cash disbursements in Infinite Visions (or similar checkbook computer program). Each month you will be responsible for reviewing the general ledger report and telling us of any changes necessary in the classification of distributions of expense. These ledgers will record on a monthly basis all cash receipts (you identified as to source and amount) and all cash disbursements (you identified as to expense category and amount).
- Each month we will take the payroll records which you have prepared and record the appropriate amounts in the ledger. We will discuss with you any errors which may come to our attention and show you the appropriate action required to correct the payroll records.



It is understood that our responsibility for such Services will encompass only periods covered under this Agreement and will not extend to any subsequent periods for which we are not engaged. In this engagement, we have no responsibility to:

- Sign checks nor approve authorization for electronic funds transmissions.
- Inspect cancelled checks.
- Review cancelled checks for endorsements.
- Review cancelled checks to determine that the payees agree to the payees recorded in the general ledger.
- Review cancelled checks to determine that the check amounts agree to check amounts recorded in the general ledger.
- Review that all deposits have been made into the bank.
- Review payroll records or checks to determine that employees have been paid the proper amount or that they are employees of the Company.
- Determine that all outside contractors are properly classified as independent contractors vs. employees.

We will perform monthly accounting services that include maintaining the Company's general ledger, closing the Company's books and reconciling statements and cash accounts. We are prohibited by professional standards from preparing source documents and authorizing or approving transactions. Accordingly, management must determine and approve all transactions including appropriate account classifications. Further, you are responsible for designating a qualified management-level individual to be responsible and accountable for overseeing the accounting services provided to you and evaluating the adequacy and results of the services performed.

As part of our engagement, we may propose standard, adjusting or correcting journal entries to your financial statements. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on the financial statements. You are responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. You will confirm these responsibilities to us in the management representation letter.

None of these services can be relied on to detect errors, fraud or illegal acts that may exist. However, we will inform you of any material errors that come to our attention and any fraud or 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 control as part of a non-audit service engagement.

**Other Services**

We are always available to meet with you and/or other executives at various times throughout the year to discuss current business, operational, accounting and auditing matters affecting your Company. Whenever you feel such meetings are desirable please let us know; we are prepared to provide services to assist you in any of these areas. We will also be pleased, at your request, to attend your Board of Directors' and Stockholders' meetings.

**Additional Fees**

Our fee will be based on the services to be provided hereunder, the timeliness and completeness of the information and documentation provided to us, firm technology, firm processes, and time required of personnel at our standard hourly rates. Our standard hourly rates vary according to the level of the personnel assigned to your audit. You will also be billed for travel and other out-of-pocket costs as incurred, as well as an administrative fee of 3% of our professional fees as an allocation of overhead expenses that are not billed as direct reimbursable expenses. Our invoices for these fees will be rendered as the work progresses, and are due and payable upon presentation. In the event that you dispute any of the fees or expenses on a specific invoice, you agree to notify us within twenty (20) days of receipt of the invoice of such dispute. If you fail to notify us within the twenty (20) day period, your right to dispute such invoice will be waived. Prior to the commencement of the services described above, any past due balances are required to be paid in full. In accordance with our Firm policies, should any invoice remain unpaid for more than thirty (30) days, we reserve the right to defer providing any additional services until all outstanding invoices are paid in full. Amounts past due sixty (60) days from the invoice date will incur a finance charge of 1% per month. Nothing herein shall be construed as extending the due date of payments required under this agreement, and you agree that we are not responsible for the impact on the Company of any delay that results from such non-payment by you.

**NE Region**

<i>Partners</i>	<i>\$430-\$530 average rate per hour</i>
<i>Directors</i>	<i>\$395-\$485 average rate per hour</i>
<i>Senior Managers</i>	<i>\$330-\$395 average rate per hour</i>
<i>Managers</i>	<i>\$245-\$325 average rate per hour</i>
<i>Supervisors</i>	<i>\$200-\$265 average rate per hour</i>
<i>Seniors &amp; Staff</i>	<i>\$150-\$210 average rate per hour</i>

As a result of this change, we estimate that an additional \$37,500 - \$45,000 a month in fees will be incurred based on estimated hours of 225 – 270 a month at different personnel levels. This estimate is based on a 40% discount of standard rates.

Agreement

This letter outlines additional services to be performed by us and is an Addendum to our engagement letter dated May 20, 2019; all other terms and conditions remain unchanged and are also applicable to this Addendum. This Addendum and our engagement letter dated May 20, 2019 comprise the complete and exclusive statement of the agreement between the parties, superseding all proposals oral or written and all other communications between the parties. If any provision of this letter is determined to be unenforceable, all other provisions shall remain in force.

It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the Company and that no other person or entity shall be authorized to enforce the terms of this engagement.

If you agree with the terms of our engagement, as described in this letter, please sign the two enclosed letters and return both of them to us and we will send you a fully executed original.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the amended terms of our engagement. If you have any questions, please let us know.

Very truly yours,

Marcum LLP


**James D. Wilkinson, CPA**

JDW/emo


Date Signed: \_\_\_\_\_

**ACCEPTED**

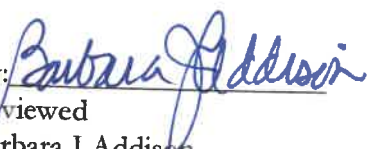
This letter correctly sets forth the agreement of **City of Central Falls, Rhode Island.**

By:   
James A Dioffa  
Mayor

Date: 10/17/19

By:   
As to Form and Correctness  
Matthew Jerzyk  
City Solicitor

Date: 10/11/19

By:   
Reviewed  
Barbara J Addison  
Director of Finance

Date: 9-9-19

# MARCUM

ACCOUNTANTS ▲ ADVISORS

May 20, 2019

Ms. Barbara J. Addison, CPA  
Director of Finance  
City of Central Falls, Rhode Island  
580 Broad Street  
Central Falls, RI 02863

Re: Accounting Services for the year June 30, 2019

Dear Ms. Addison:

Thank you for choosing Marcum LLP (“Marcum,” “we,” “us” or “our”) to provide accounting services for City of Central Falls, Rhode Island (“Client,” “Company,” “you” or “your”).

The purpose of this Engagement letter, including Attachments A and B (collectively, the “Agreement”), is to document the understanding between Marcum and Client related to the accounting services (the “Services”) for the Company for the year June 30, 2019.



**Accounting Services**

We will perform annual services that include:

<b><u>Phase I Tasks</u></b>	<b><u>Low Range</u></b>	<b><u>High Range</u></b>
Reconciliation of 6 months of cash activity for the fiscal year ending June 30, 2019	\$ 3,600.00	\$ 4,800.00
Reconciliation of due to/from accounts as of April 30, 2019	3,000.00	4,500.00
Review of cash forecast provided by management	850.00	1,400.00
<b><u>Phase II Tasks</u></b>	<b><u>Low Range</u></b>	<b><u>High Range</u></b>
Reconciliation of June 30, 2019 receivable accounts	\$ 2,500.00	\$ 3,000.00
Rollforward of capital asset schedule as of June 30, 2019	2,000.00	2,500.00
Assist client in preparing the compensated absences schedule and accrual adjustments as of June 30, 2019	1,000.00	2,000.00
Rollforward of long-term obligations as of June 30, 2019	2,000.00	2,500.00
Preparation of Schedule of Federal Expenses as of June 30, 2019	500.00	1,000.00
Preparation of MTP Reporting	2,000.00	2,500.00
Monthly cash flow projections	3,500.00	5,000.00
Build future commitment file	2,500.00	3,500.00
Build centralized grant file	2,500.00	3,500.00
Assist management in preparing state financial reports	1,500.00	2,000.00
Preparation of annual basic financial statements with GASB 34 conversion entries	10,000.00	12,000.00
Propose any adjustments for reconciliation of accounts for managements' review	1,000.00	1,500.00
	<u>\$ 38,450.00</u>	<u>\$ 51,700.00</u>
Low range consists of having assistance and cooperation from client including all outside departments and management assisting in pulling supporting data to complete the analysis.		
High range consists of having less cooperation from client and outside departments which creates additional time to complete tasks that are requested.		

It is understood that our responsibility for such Services will encompass only periods covered under this Agreement and will not extend to any subsequent periods for which we are not engaged.

In this engagement, we have no responsibility to:

- Sign checks nor approve authorization for electronic funds transmissions.
- Inspect cancelled checks.
- Review cancelled checks for endorsements.
- Review cancelled checks to determine that the payees agree to the payees recorded in the general ledger.
- Review cancelled checks to determine that the check amounts agree to check amounts recorded in the general ledger.
- Review that all deposits have been made into the bank.
- Review payroll records or checks to determine that employees have been paid the proper amount or that they are employees of the Company.
- Determine that all outside contractors are properly classified as independent contractors vs. employees.

### **Your Responsibilities**

We will not perform management functions or make management decisions for you. However, we may provide advice, research materials and recommendations to assist your management in performing its functions and making decisions. Additionally, we are prohibited by professional standards from preparing source documents and authorizing or approving transactions. Accordingly, management must determine and approve all transactions including appropriate account classifications.

As part of our engagement, we may propose standard, adjusting or correcting journal entries to your books and records. You are responsible for reviewing the entries and understanding the nature of any proposed entries and the impact they have on your books and records. You are responsible for adjusting the books and records to correct material misstatements.

The above Services will be performed based on data and information you provide to us. We will not verify or audit this information. None of these services can be relied on to detect errors, fraud or illegal acts that may exist. However, we will inform you of any material errors that come to our attention and any fraud or 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 control as part of a non-audit service engagement.

You authorize Marcum to accept instructions from your representative (Director of Finance) for this engagement. As a condition to our performing the Services described above, you agree to:

- Make all management decisions and perform all management functions, including determining account codings and approving all proposed journal entries.
- Designate an individual who possesses suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services.
- Evaluate the adequacy and results of the services performed.
- Accept responsibility for the results of these services.
- Establish and maintain internal controls over the bookkeeping processes and monitor ongoing activities.

### **Timing**

You acknowledge that we must have adequate time to conduct our engagement. We will require your assistance to provide us with information on a timely basis in order to complete our engagement in an efficient and timely manner. We may provide you with an organizer, questionnaire and/or other requests for information and you must respond to these requests completely and accurately. Should we not receive such information and assistance from you with sufficient time to complete the Services, then you acknowledge that we can give no assurances that our Services will be completed prior to the time required by law.

Unless specified herein as our responsibility to provide, you shall have obtained for us, on a timely basis, any internal and third-party permissions, licenses or approvals that are required for Marcum to perform the Services contemplated hereunder (including use of any necessary software or data). You shall also provide us, on a timely basis, with such information, approvals and assistance as may be necessary to our work or as may reasonably be requested, and personnel assigned to any work hereunder shall not be assumed or deemed to have knowledge of information provided to others, whether external to or within Marcum.

### **Fees and Payment Terms**

Our fee for these services will be based on the complexity of the issues, the timeliness and completeness of the information and documentation provided to us, and time required of personnel, at the agreed upon rates noted on the first page (which represent a 30% discount from standard rates). A list of the discounted rates are noted below. You will also be billed for travel and other out-of-pocket costs as incurred, as well as an administrative fee of 3% of our professional fees as an allocation of overhead expenses that are not billed as direct reimbursable expenses.

<i>Partners</i>	<i>\$340</i>
<i>Directors</i>	<i>\$285</i>
<i>Senior Managers</i>	<i>\$235</i>
<i>Managers</i>	<i>\$180</i>
<i>Supervisors</i>	<i>\$150</i>
<i>Seniors &amp; Staff</i>	<i>\$105 to \$125</i>



**Payment Terms**

Our invoices for these fees will be rendered as the work progresses, and are due and payable upon presentation. In the event that you dispute any of the fees or expenses on a specific invoice, you agree to notify us within twenty (20) days of receipt of the invoice of such dispute. If you fail to notify us within the twenty (20) day period, your right to dispute such invoice will be waived. Prior to the commencement of the services described above, any past due balances are required to be paid in full. In accordance with our Firm policies, should any invoice remain unpaid for more than thirty (30) days, we reserve the right to defer providing any additional services until all outstanding invoices are paid in full. Amounts past due sixty (60) days from the invoice date will incur a finance charge of 1% per month. Nothing herein shall be construed as extending the due date of payments required under this agreement, and you agree that we are not responsible for the impact on the Company of any delay that results from such non-payment by you.

The estimated fees are based on certain assumptions, including the required assistance described above. To the extent that certain circumstances, as listed in Attachment B, arise during the engagement, our fee estimate may be significantly affected and additional fees may be necessary. Additional services provided beyond the described scope of services will be billed separately.

**Agreement**

This Agreement, including its Attachments, comprises the complete and exclusive statement of the agreement between the parties, superseding all proposals oral or written and all other communications between the parties. The letter may be executed in two or more actual, scanned, emailed, or electronically copied counterparts, each and all of which together are one and the same instrument. The agreements of the parties contained in the engagement letter will survive the completion or termination of this engagement. If any provision of this Agreement is determined to be unenforceable, all other provisions shall remain in force.

If you agree with the terms of our engagement, as described in this letter, please sign this PDF version of the engagement letter and return it to us by email and we will send you a fully executed copy.

We appreciate the opportunity to serve you and believe this Agreement accurately summarizes the significant terms of our engagement. If you have any questions, please let us know.

Very truly yours,

Marcum LLP

James D. Wilkinson, CPA

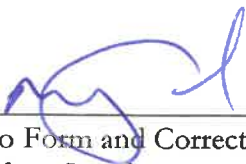
JDW/emo

**AGREED AND ACCEPTED:**


This Agreement correctly sets forth the agreement by **City of Central Falls, Rhode Island**.

By:   
James A Diossa  
Mayor

Date: 10/17/19

By:   
As to Form and Correctness  
Matthew Jerzyk  
City Solicitor

Date: 10/11/19

By:   
Reviewed  
Barbara J Addison  
Director of Finance

Date: 9-9-19

## Attachment A

### MARCUM LLP ENGAGEMENT TERMS

These terms in this Attachment A apply to the agreement described in any engagement letter referencing them (and supersede any inconsistent terms) but shall also apply to any additional work we may be asked to perform for Client within twelve months of any such engagement letter (unless a separate engagement letter is used). In the event that there is a conflict between the engagement letter and this Attachment A, the terms of this Attachment A shall control. All capitalized terms used herein that are undefined shall have the meaning provided elsewhere in the Agreement.

1. Cooperation and Participation, Effect on Fees. Client's management is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. Marcum shall endeavor to be alert to any information provided by or on behalf of Client that is incorrect or missing and shall apply its normal diligence in this regard; nevertheless, Marcum shall be entitled to rely on the accuracy, completeness, and reliability of all information provided by, and on all decisions and approvals of, Client (and Client's retained advisors, consultants, or legal counsel). Client's management shall be solely responsible for applying independent business judgment with respect to Marcum's Services and work product (including decisions on implementation or other further course(s) of action) and shall be solely and exclusively responsible for such decisions. Further, Client is responsible for designating a qualified management-level individual to be responsible and accountable for overseeing the services provided and evaluating the adequacy and results of the Services performed. Client has the final responsibility for the income tax returns, estimated tax payments, if applicable, and positions therein; therefore Client should review returns carefully before they are signed and filed. Client must retain records supporting the filed return(s).

Client acknowledges that in order to complete the tax returns at the agreed upon fee, Client will need to provide certain information. If Client does not complete an organizer, questionnaire or information request that Marcum provides, or if Client does not respond to any other request from Marcum for information, Marcum may use alternative procedures to obtain information necessary for Marcum to prepare and sign Client's tax returns in accordance with applicable law and professional standards. If Marcum use these alternative procedures due to Client's failure to respond to a request, Marcum will not be responsible for any error or omission that would have been avoided had Client timely and completely responded to Marcum's request for information. If any organizer, questionnaire or information request is received in an incomplete format, Marcum may return the items to Client for completion or correction. The cost of tax return preparation may increase as additional time is incurred to calculate or obtain the missing information. In addition, if Client fails to provide all the information necessary to compete the tax returns or work within 3 weeks from the due date of such tax returns or the agreed-upon completion date of such work, Marcum will not be responsible for the accuracy, completeness and/or timeliness of such tax returns or work.

2. Use and Reliance. The documentation of our Services pursuant to this Agreement is the property of Marcum and constitutes proprietary information. We will retain the documentation in accordance with our document retention policies, which may be amended from time to time. Client's use of our work product from this engagement (except for copies of filed tax returns) shall in any event be limited to the item's stated purpose (if any) and is for Client's purposes and internal use only. Unless otherwise agreed to in writing by Marcum, our work product is not to be relied upon by any third parties in any manner or for any purpose; this engagement does not create any privity between Marcum and any third party. Client hereby agrees to indemnify and hold harmless Marcum and its personnel from all third-party claims, liabilities, costs and expenses in the event of any unauthorized reliance. The conclusions expressed in our deliverables are based upon the facts presented by Client and may be inapplicable if the actual facts differ from those presented in any respect.
3. Express Authorization to Disclose. As provided in Treasury Regulations, Client and each employee, representative, or other agent of Client may disclose to any and all persons without limitation of any kind the tax treatment and tax structure of any transaction that may fall within the scope of this engagement and all materials of any kind, including opinions or other tax analyses, that may be provided to Client by Marcum relating to any such tax treatment and tax structure.
4. Disclosure of Transactions and Other Financial Information. The Internal Revenue Code of 1986, as amended ("IRC") and certain state laws require that you disclose on or with your tax returns certain transactions or other financial information. For example, Treasury Regulations commonly known as the "Tax Shelter Regulations" require taxpayers to disclose certain types of transactions on a Form 8886 attached to their tax returns and filed with the IRS office of Tax Shelter Analysis. Failure to disclose could result in substantial penalties, even if the transaction's tax benefits are appropriate and even if there is no understatement of tax. As your professional tax return preparer, we will make every effort to inform you of your specific disclosure responsibilities. However, our tax return preparation services do not include any separate investigation to determine whether there are any transactions or other matters that must be disclosed on your tax returns, though we will advise you if we conclude that any such disclosure is required. If you would like us to review any transaction or matter to determine if it must be reported, please contact us to discuss expanding the scope of our services.

Unless you advise us otherwise or specific disclosure information is furnished to us, we will assume that none of the transactions that will be reflected on your return were: (1) entered into subject to an agreement that requires you to keep the transaction confidential, (2) entered into subject to an agreement that the fee you paid would be contingent upon your receiving the transaction's intended tax benefits, (3) identified in Treasury Regulations as loss transactions that must be disclosed, including loss transactions that pass-through to you from S Corporations, partnerships and trusts, if applicable, or (4) the same as or substantially similar to a transaction identified by the IRS as a tax avoidance transaction. The following IRS web address provides an up-to-date list of transactions the IRS has identified as tax avoidance transactions:

<http://www.irs.gov/Businesses/Corporations/Listed-Transactions>

Or, go to the IRS' home page at [www.irs.gov](http://www.irs.gov) and search for "tax shelters." We are, of course, available for a separate fee to assist you to determine if you have entered into one of these transactions.

It is important to note the IRS can identify transactions as tax avoidance transactions subsequent to your entering into them; in this event you could be retroactively required to disclose your participation in the transaction.

The other categories of transactions that have to be disclosed would ordinarily be reflected in the information you provide us to prepare your tax return. However, determining whether you should disclose these transactions may require analysis of information over and above that otherwise necessary to prepare your return and could result in our having to charge additional fees.

5. Foreign Asset Reporting. If you have a direct or indirect financial interest in or have signature authority over, any foreign financial account, including a bank account, brokerage account, mutual fund, unit trust or other account, you may be required to prepare and file Form FinCEN 114 (FBAR) if the aggregate value of all foreign financial accounts exceeds \$10,000 at any time during the calendar year. Your signature on the engagement letter referencing these terms acknowledges that you agree to comply with these reporting requirements. If you need assistance with any portion of the foreign financial account reporting requirements, please contact us to ensure the timely filing of these reports. Such services may be subject to additional fees. Account holders who do not comply with these reporting requirements may be subject to civil penalties, criminal penalties or both.
6. Taxpayer Privileges: Use of Counsel. The parties acknowledge that certain documents and other communications involving and/or disclosed to or by Marcum may be subject to one or more claims of privilege by or on behalf of Client (e.g., the IRC §7525 tax advisory privilege, etc.). Although Client is solely responsible for managing the recognition, establishment and maintenance (e.g., possible waiver) of these possible protections (and for involving legal counsel as it deems necessary), Client will notify Marcum if Client wishes to invoke the confidentiality privilege and Marcum will cooperate with Client's reasonable written instructions regarding same. Client should be aware that should circumstances arise where Client wishes to divulge or have Marcum divulge privileged information to other parties, such disclosure may result in a waiver of the confidentiality privilege. If Client wishes Marcum to divulge privileged information, Client must provide Marcum with advance written authority to make such disclosure. In addition, if it is ultimately determined that a significant purpose of the tax matter was to avoid or evade any U.S. Federal income tax, Client should be aware that the confidentiality privilege under IRC §7525 will not apply to the communications between Marcum and Client.

If Marcum receives a request from a third-party, including the IRS (including a subpoena, summons or discovery demand in litigation) calling for production of privileged information, Marcum will notify Client and follow Client's reasonable instructions regarding any third-party requests for such material before Marcum will disclose such privileged information as may be required under applicable laws or rules, Client hereby agrees to hold Marcum harmless from, and be responsible for Marcum's fees and expenses incurred (including attorneys' fees, court costs, costs of outside advisors and any other cost imposed, whether by way of penalty or otherwise) as a result of Client's assertion of the confidentiality privilege or Client's direction to Marcum to assert the privilege on Client's behalf or in the event that Marcum determines that it is required by applicable law or rules to assert the privilege without having received Client's direction.

7. Agreed Upon Scope of Work. Marcum shall be obligated only for work or deliverables specified in the Agreement referencing these terms, and only for changes in such scope that are set forth in writing and duly executed by the parties hereto. To the extent all specific details of the engagement are not so documented, the parties shall work diligently and in good faith to document them at the request of either party. Unless expressly provided for, Marcum's Services do not include giving testimony or appearing or participating in discovery proceedings, in administrative hearings, in court, or in other legal or regulatory inquiries or proceedings. Marcum's engagement ends on delivery of the latest item to be delivered as set forth under "Services" in the Agreement to which these terms are attached.

Our Services under this Agreement and this Attachment A do not constitute legal or investment advice. We recommend that you retain competent legal counsel and investment advisers.

To the extent that we may be required or requested to provide information or documents to you or a third-party in connection with a legal or administrative proceeding (including a grand jury investigation) in which we are not a party as a result of our prior or future services to you, we shall be entitled to compensation for our time and reimbursement for our reasonable out-of-pocket expenditures (including legal fees) in complying with such request or demand. This is not intended, however, to relieve us of our duty to observe the confidentiality requirements of our profession and this Agreement.

8. Limitation on Oral and Email Communication: Written Advice. We may discuss with you our views regarding the tax treatment of certain items. We may also provide you with tax information in the body of an email. Any advice or information provided orally or in the body of an email (as opposed to a memorandum attached to an email) will be based on limited tax research and a limited discussion and analysis of underlying facts. Additional research or a more complete review of the facts could affect our analysis and conclusions. Therefore it may not be appropriate to proceed with any transaction or tax return reporting solely on the basis of oral or email communications. You accept all responsibility for any loss, cost or expense resulting from your decision (i) not to have us perform the research and analysis necessary to reach a more definitive conclusion and (ii) to rely on oral or email communication. This paragraph does not apply to any written tax advice that is delivered to you as an attachment to an email and which contains the legend described below.

Any written tax or professional advice we provide will contain the following legend: "Tax or professional advice contained in or accompanying this document, unless otherwise specifically stated, is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing, or recommending to another party any transaction or matter that is contained in or accompanying this document. In addition, unless otherwise specifically stated, any advice provided shall not be deemed a formal tax opinion upon which the addressee can rely." This legend can be removed from the advice; however, detailed, exhaustive analysis may be required under the IRS's rules which could involve significant time and expense. At your request, we would be happy to discuss this aspect should it become necessary.

9. Data Access. If you request that we access files, documents or other information in a cloud-based or web-accessed hosting service or other third-party system accessed via the internet, including, without limitation iCloud, Dropbox, Google Docs, Google Drive, a data room hosted by a third-party, or a similar service or website (collectively, "Cloud Storage"), you will confirm with any third-parties assisting with or hosting the Cloud Storage that either such third-party or you (and not us) is responsible for ensuring the confidentiality of all information while utilizing the Cloud Storage, complying with all applicable laws relating to the Cloud Storage and any information contained in the Cloud Storage, providing us access to the information in the Cloud Storage, and protecting the information in the Cloud Storage from any unauthorized access to the information, including without limitation unauthorized access to the information when in transit to or from the Cloud Storage. You warrant that you have authority to provide us with access to information in the Cloud Storage and that providing us with access to information in the Cloud Storage complies with all applicable laws, regulations, or duties owed to third-parties, and you agree to hold us harmless from and against any matters relating to or arising from our use of the Cloud Storage. In addition, while Marcum has established procedures designed to protect the confidentiality of your information, you acknowledge and agree that the confidentiality of any communication or material transmitted over the Internet through an unencrypted method cannot be guaranteed and that any breach of confidentiality that occurs thereby shall not be deemed to be a breach of Marcum's confidentiality obligations under this Agreement.

You acknowledge that your confidential information may be transmitted to us through an information portal or delivery system established by us or on our behalf. You shall notify us in writing of your employees, representatives, or other agents to be provided access to such portal or system; upon the termination of such status, you shall immediately notify us in writing. You acknowledge that you are responsible for the actions of your current and former employees, representatives, or other agents in connection with the transmission of your information.

10. Legal and Regulatory Change. Marcum may periodically communicate changes in laws, rules or regulations to Client. However, Client has not engaged Marcum, and Marcum does not undertake an obligation, to advise Client of changes in laws, rules, regulations, industry or market conditions, Client's own business practices or other circumstances, except to the extent required by professional standards. The conclusions expressed in our deliverables hereunder are based upon the tax laws as of the date of Service, which are subject to change, and our conclusions are limited solely to the matters for which we were engaged. Marcum will not update its conclusions should the law change unless specifically engaged to do so.
11. External Factors: Standards of Performance. Client acknowledges that this engagement will involve analysis, judgment and other performance from time to time in a context where the participation of Client or others is necessary, where answers often are not certain or verifiable in advance and where facts and available information change with time. Accordingly, evaluation of Marcum's performance of its obligations shall be based solely on its substantial conformance with any standards or specifications expressly set forth in this Agreement and all applicable professional standards, any such nonconformance (and applicability) to be clearly and convincingly shown. It is understood that unless Client and Marcum agree otherwise, in writing, Marcum shall have no responsibility to update any of its work after its completion.

12. Affiliates. Recognizing that at times Marcum's work may pertain not only to Client but also to a parent, various of its subsidiaries, other affiliates, advisors and contractors, or to family members or related trusts, partnerships, partners, companies, estates or foundations, Client shall, as may be requested by Marcum from time to time (including subsequent to completion of the Services), obtain written confirmation of their agreement to the terms of this Agreement. This Agreement is binding on each party hereto and on each of its successors, assigns, heirs, legatees and legal representatives. Client agrees that Marcum may authorize or allow its affiliates and contractors to assist in performing this engagement and to share in Marcum's rights hereunder, provided any such party shall commit (as applicable) to be bound by the restrictions set forth in this Agreement and Marcum obtains such express commitments as are necessary.
13. Marcum Personnel. Marcum strives to maintain a staff of quality, trained professionals. In recognition of the investment we have made to recruit and develop our personnel, you agree to the following. In the event that any of our employees accepts a position of employment with your company, or any of its related parties or affiliates at any time while we are performing services for you or within one year thereafter, irrespective of whether they've worked on your account or not, you agree to pay us a placement fee equal to the employee's annual compensation in effect on the date such employment was contracted. Such fee is payable when the employee accepts such a position.

If you need a permanent employee and would like assistance in locating this type of individual, we can provide personnel search assistance for a fee to help you locate and hire a qualified individual.

14. Confidentiality. To the extent that, in connection with this engagement, Marcum comes into possession of any proprietary or confidential information of Client, Marcum will not disclose such information to any third party without consent, except (a) as may be required by law, regulation, judicial or administrative process, or in accordance with applicable professional standards, or in connection with litigation pertaining hereto, or (b) to the extent such information (i) shall have otherwise become publicly available (including, without limitation, any information filed with any governmental agency and available to the public) other than as the result of a disclosure by Marcum in breach hereof, (ii) is disclosed by Client to a third party without substantially the same restrictions as set forth herein, (iii) becomes available to Marcum on a non-confidential basis from a source other than Client which Marcum believes is not prohibited from disclosing such information to Marcum by obligation to Client, (iv) is known by Marcum prior to its receipt from Client without any obligation of confidentiality with respect thereto, or (v) is developed by Marcum independently of any disclosures made by Client to Marcum of such information. In addition, Client acknowledges and agrees that any such information that comes to the attention of Marcum in the course of performing this engagement may be considered and used by Marcum in the context of responding to its professional obligations as the independent accountants for Client. Solely to the extent that information obtained from Client is protected health information pursuant to the Health Insurance Portability and Accountability Act (as amended from time to time, "HIPAA"), this Agreement shall be deemed to incorporate all terms that HIPAA requires to be included in a business associate contract relating to such information.



15. Third-Party Service Providers. Marcum may, from time to time, and depending on the circumstances, use third-party service providers to assist us with the tax services we are providing to you. We may share confidential information about you with the third-party service providers, but remain committed to maintaining the confidentiality of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your information. Furthermore, Marcum will remain responsible for the work performed by such third-party service providers.
16. Background Checks. As a matter of our Firm policy, we perform background checks, which may require out-of-pocket expenses, on potential clients and/or on existing clients, on an as-determined basis. The terms and conditions of this engagement are expressly contingent upon the satisfactory completion of our investigatory procedures and we reserve the right to withdraw from any relationship should information which we deem to be adverse come to our attention. The results of all background checks and other investigatory procedures are submitted to, and reviewed by, our Firm's Client Acceptance Committee.
17. Business Risk Allocations. Client agrees that Marcum's liability arising out of the Services and any related work product or other deliverables provided shall in no event exceed the total amount received hereunder for the portion of the work giving rise to liability; nor shall Marcum be liable for any special, consequential, incidental or exemplary damages or loss (nor any lost profits, taxes, interest, tax penalties, savings or business opportunity). This shall be your exclusive remedy. Also, because of the importance of the information that Client provides with respect to Marcum's ability to perform the Services, Client hereby releases Marcum and its partners, principals and employees from any liability, costs, fees, expenses, and damages (including defense costs) relating to the Services hereunder which are attributable to any information provided by Client personnel and Client's agents that is not complete, accurate or current.

Client shall, upon the receipt of written notice, indemnify Marcum, and its partners, principals and employees, from any liability, costs, fees, expenses, and damages (including defense costs) associated with any third-party claim arising from or relating to Client's misrepresentations, or false or incomplete information provided to Marcum in the performance of its Services, or third party reliance on Marcum's work product or deliverable.

No action, regardless of form, arising out of the Services provided under this Agreement may be brought by either party more than one year after the date of the last Services provided under this Agreement.

**18. Waiver of Jury Trial; Jurisdiction and Venue; Governing Law.**

**AS A MATERIAL INDUCEMENT FOR US TO ACCEPT THIS ENGAGEMENT AND/OR RENDER THE SERVICES TO CLIENT IN ACCORDANCE WITH THE PROVISIONS OF THIS AGREEMENT:**

*Marcum and Client each hereby knowingly, voluntarily and intentionally waive any right either may have to a trial by jury with respect to any litigation based hereon, or arising out of, under or in connection with this Agreement and/or the Services provided hereunder, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of either party. Marcum and Client each expressly agree and acknowledge that the Supreme Court of the State of New York, County of New York, Commercial Division, and the United States District Court for the Southern District of New York, Manhattan Courthouse, shall each have exclusive and sole jurisdiction and venue for any respective state or federal actions arising from, relating to or in connection with this Agreement, or any course of conduct, course of dealing, statement or actions of either party. If and only if the action does not satisfy the damage prerequisite for jurisdiction in the County of New York Commercial Division, then any such state court action shall be brought in the County of Suffolk, Commercial Division.*

*The terms and provisions of this Agreement, any course of conduct, course of dealing and/or action of Marcum and/or Client and our relationship with you shall be governed by the laws of the State of New York to the extent said laws are not inconsistent with the Federal Securities Laws and Rules, Regulations and Standards thereunder. In any litigation brought by either Marcum or Client, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs incurred, including through all appeals.*

19. Termination. We acknowledge your right to terminate our services at any time, and you acknowledge our right to resign at any time (including instances where in our judgment: our independence has been impaired; we can no longer rely on the integrity of management; or there may be a violation of applicable law, regulations or standards, a conflict of interest, or damage to our reputation), subject in either case to our right to payment for all direct and indirect charges including out-of-pocket expenses incurred through the date of termination or resignation or thereafter as circumstances and this agreement may require, plus applicable interest, costs, fees and attorney's fees.

20. General.

- (a) We shall not be liable for any delay or failure in performance due to circumstances beyond our reasonable control.
- (b) This engagement is being undertaken solely for the benefit of Client and no other person or entity shall be authorized to enforce the terms of this Agreement. Accordingly, except to the extent expressly provided herein to the contrary, there are no third-party beneficiaries under this Agreement.
- (c) Unless otherwise required by applicable law, Client shall not make any public announcements in respect of this Agreement or otherwise communicate its terms without Marcum's prior written consent.
- (d) Each party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency or fiduciary relationship.
- (e) Client shall not assign any rights, obligations or claims relating to this Agreement.
- (f) If any portion of the Agreement is held invalid, it is agreed that such invalidity shall not affect any of the remaining portions.

## Attachment B

<b>CIRCUMSTANCES AFFECTING TIMING AND FEE ESTIMATE</b>
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The estimated fees are based on certain assumptions. Circumstances may arise during the engagement that may significantly affect the targeted completion dates and our fee estimate. As a result, additional fees may be necessary. Such circumstances include but are not limited to the following:

1. Changes to the timing of the engagement at your request. Changes to the timing of the engagement usually require reassignment of personnel used by Marcum LLP ("Marcum") in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, Marcum may incur significant unanticipated costs.
2. In order to complete the Services at the lowest possible cost, your accounting personnel will need to provide certain information by the date requested. Because we will depend heavily upon Company personnel to assist us, if any of the information requests are not received, are not mathematically correct, or are not in agreement with the appropriate underlying records (e.g., general ledger account) or are received in an incomplete format, we will return the items to you for completion or correction. The cost of the tax returns and accounting services may increase as additional time is incurred to calculate or obtain the missing information. If at any time you believe that you might be better served by us performing a particular task, please contact us and we will adjust our fees accordingly. Marcum will provide the accounting personnel with a separate listing of required information and deadlines.
3. Weaknesses in the internal control structure.
4. Significant new issues or unforeseen circumstances as follows:
  - a. Significant new tax and accounting issues that require an unusual amount of time to resolve.
  - b. Significant changes in the Company's accounting personnel, their responsibilities, or their availability.
5. Significant delays in the accounting personnel's assistance in the engagement or delays by them in reconciling variances as requested by Marcum. All invoices, contracts and other documents which we will identify for the Company, are not located by the accounting personnel or made ready for our easy access.
6. Our fee estimate does not include tax research or consultation with respect to nonrecurring items and other matters of tax significance that may arise in the course of preparation or during the course of the year. Such items would include, but not be limited to, assistance and planning on acquisitions, assistance with federal and state tax audits, performance of refund reviews or reverse audits, and consultation and research related to state and local tax matters. As items of this nature arise, we will advise you of the nature of the matter and provide you with a fee estimate before we invest significant professional time.
7. Untimely payment of our invoices as they are rendered.

**Addendum to Engagement Letter Dated May 20, 2019**

**For Fiscal Year Ended June 30, 2019**

- Review of internal records to determine audit readiness \$ 500
- Completion of cash flow analysis for 2019 \$1,500 - \$2,000