



COVERALL'S cleaning contract

8/18/20

The Undersigned **Pascoag Utility District** ("Customer") hereby accepts the proposal of **COVERALL** of Southern New England ("**COVERALL**") to supply Janitorial Services for our premises located at:

•Address: 253 Pascoag Main Street

•City: Pascoag

State: RI

Zip: 02859

upon the following terms:

- 1. **COVERALL's** service charge will be:

\$889.00 per month to include a **3 times/week** service.

Initial: 

The Janitorial Services are to be performed in the evening.

- 2. **CUSTOMER** acknowledges that **COVERALL** will delegate all Janitorial Services to be performed hereunder to a **COVERALL** franchisee and/or subcontractor.

- 3. Included in the service charge will be service, cleaning supplies, and any equipment which will be furnished by the **COVERALL** franchisee. The service charge does not include liners, paper supplies, and toiletries, which can be provided at **CUSTOMER's** expense, at competitive prices. The service charge also does not include any use tax, tax on sales, services or supplies, or other such tax, which taxes shall be paid by **CUSTOMER**. **CUSTOMER** agrees to reimburse **COVERALL** the amount of any such taxes if paid by **COVERALL** on **CUSTOMER's** behalf.

- 4. All Janitorial Services specified in the "Work Schedule" attachment of this proposal will be provided to **CUSTOMER** in a satisfactory manner.

- 5. All **COVERALL** franchisees have successfully completed **COVERALL's** comprehensive training program and are required to carry insurance and a janitorial bond.

- 6. Additional services, not included in **COVERALL's** service charge, to be performed upon request, priced per occurrence, at **CUSTOMER's** expense, include:

a) **Hot Water Extract Carpets:** _____ Included 4 times/year _____

b) **Window Washing:** _____ Included 4 times/year _____

Additional services accepted by:



Signature

•7. (a) The term of this Contract is for one (1) year. This one-year period shall begin on the date services are scheduled to begin. This Contract shall automatically extend for additional one (1) year periods, unless at least thirty (30) days prior to each anniversary of the date services are scheduled to begin, either party gives the other written notice of its intent not to renew.

(b) **Termination/Notice:** If a party to this Contract fails to perform according to its obligations (the non-performing party”), the party claiming non- performance shall send the non-performing party written notice by certified mail, specifying the manner of non-performance. This notice will provide that the non-performing party will have fifteen (15) days from receipt of the notice to cure or correct the items of non-performance. If these items have not been corrected or cured within this fifteen (15) day period, the claiming party may issue a thirty (30) day written notice of termination and/or pursue other available remedies for default.

(c) Notwithstanding the above, **COVERALL** may, but shall not be obligated to, terminate this Contract immediately for non-payment by **CUSTOMER** for cleaning charges due hereunder.

• 8. The service charge will remain in effect for one year unless there are changes in the original specifications for the premises. In the event of such changes, **CUSTOMER** will advise **COVERALL** accordingly, and an adjustment in the service charge, as agreed to by the parties, will be made.

• 9. **CUSTOMER** agrees that it will not employ or contract with any **COVERALL** employee, franchisee, or any of the franchisee’s employees during the term of this contract or for one hundred and eighty (180) days after termination of this contract, without **COVERALL**’s written consent.

• 10. **COVERALL** will bill **CUSTOMER** monthly, and **CUSTOMER** agrees to pay **COVERALL** the amount that is due and owing under the terms of this contract within 10 days of billing date. Late payments will incur service and finance charges. In the event of default on payment, **CUSTOMER** agrees to pay **COVERALL**’s attorney’s fees and costs for collection.

• 11. Services shall be performed as scheduled with the exception of the following six (6) legal holidays: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. However, service can be provided on these holidays at an additional cost if required. Services shall be scheduled during the hours approved or directed by manager/owner.

• 12. If there is an “Additional Special Services” Addendum attached to this Contract, and if **CUSTOMER** cancels any periodic special services described therein for which a prorated monthly charge is included in **CUSTOMER**’s total monthly service charge, any amount owing by **CUSTOMER** for special services performed prior to the cancellation shall be payable in full no later than five (5) days after the cancellation.

• 13. The undersigned warrant and represent that they have full authority to enter into this Contract, and that it will be binding upon the parties and their respective successors and assigns.

Signed by • Michael B. Kirkwood
Signature

• Michael E. Kirkwood, General Manager
Print Name and Title

On behalf of • Pascoag Utility District
Customer

Date • September 1, 2020

Service Start Date • Oct 2, 2020

Signed • Martino Okonke
Sales Consultant

Coverall of Southern New England
33 College Hill Road, Bldg. 5
Warwick, RI 02886
Phone • 401-821-0100 • Fax • 401-821-0494
Email: martino@coverallsne.com

Please fax signed contract to: 401-821-0494

Healthy Cleaning Down to a Science™

GENERAL LEDGER
TRANSACTION DETAIL

JAN 2020 To DEC 2020

Date	Journal Description	Dept	Actv	BU Project	Mod	Jrnl Code Reference	Debit	Credit	Balance
Account: 1 0921.01 Custodian									
01/01/20	2019010545 Invoice	0	0		AP	0 OFFICE CLEANING	493.00		0.00
							Beginning Balance:		
							493.00	0.00	493.00
02/01/20	2020000917 Invoice	0	0		AP	0 FEB SERVICES	493.00		986.00
02/28/20	2020001834 Invoice	0	0		AP	0 disinfectant, wipes, soap	112.98		1,098.98
							Net Amount For FEB 2020: 605.98		
03/01/20	2020001725 Invoice	0	0		AP	0 march custodian services	493.00		1,591.98
03/03/20	2020001938 Invoice	0	0		AP	0 tissues, cleaning supplies, soaps, glove	612.41		2,204.39
03/04/20	2020001938 Invoice	0	0		AP	0 tissues	56.99		2,261.38
03/11/20	2020002302 Invoice	0	0		AP	0 TRASH BAGS	114.40		2,375.78
							Net Amount For MAR 2020: 1,276.80		
04/01/20	2020002625 Invoice	0	0		AP	0 TOLIET PAPER	107.98		2,483.76
04/01/20	2020002669 Invoice	0	0		AP	0 CLEANING SERVICES	493.00		2,976.76
04/13/20	2020002908 Invoice	0	0		AP	0 CLEANING SUPPLIES	31.78		3,008.54
							Net Amount For APR 2020: 632.76		
05/01/20	2020003371 Invoice	0	0		AP	0 cleaning services	493.00		3,501.54
05/01/20	2020003987 Invoice	0	0		AP	0 cleaner	297.21		3,798.75
							Net Amount For MAY 2020: 790.21		
06/01/20	2020004029 Invoice	0	0		AP	0 cleaning services june 2020	493.00		4,291.75
06/01/20	2020004601 Invoice	0	0		AP	0 handsoap cleanser	76.99		4,368.74
06/05/20	2020004413 Invoice	0	0		AP	0 COVID CLEANING	1,575.00		5,943.74
							Net Amount For JUN 2020: 2,144.99		
07/01/20	2020004855 Invoice	0	0		AP	0 monthly contract july 2020	2,144.99		6,436.74
07/21/20	2020005602 Invoice	0	0		AP	0 trash bag liners	493.00		6,548.72
							Net Amount For JUL 2020: 604.98		
08/01/20	2020005882 Invoice	0	0		AP	0 AUGUST MONTHLY CLEANING	493.00		7,041.72
08/04/20	2020006060 Invoice	0	0		AP	0 paper towels	173.97		7,215.69
08/27/20	2020006728 Invoice	0	0		AP	0 wipe sanitizing	154.90		7,370.59
							Net Amount For AUG 2020: 821.87		
09/01/20	2020006695 Invoice	0	0		AP	0 sept cleaning contract	821.87		7,863.59
09/03/20	2020007087 Invoice	0	0		AP	0 ALCOHOL WIPES	493.00		7,894.57
							Net Amount For SEP 2020: 523.98		
10/02/20	2020007973 Invoice	0	0		AP	0 liners	523.98		7,954.06
10/28/20	2020008509 Invoice	0	0		AP	0 Inv# 7060322700 Acct# 706-6250	59.49		8,843.06
							Net Amount For OCT 2020: 948.49		
11/06/20	2020008616 Invoice	0	0		AP	0 Soap-front office	948.49		8,872.81
11/10/20	2020008699 Invoice	0	0		AP	0 Inv# 7060323159 Acct# 706-6250	29.75		9,761.81
11/16/20	2020008998 Invoice	0	0		AP	0 Inv#215572974 Cust#C1135044	889.00		9,989.77
							Net Amount For NOV 2020: 227.96		

GENERAL LEDGER
TRANSACTION DETAIL

JAN 2020 To DEC 2020

Date	Journal Description	Dept	Actv	BU Project	Jrnl Mod	Code Reference	Debit	Credit	Balance
Account: 1 0921.01 Custodian									
12/01/20	2020009576 Invoice	0	0		AP	0 Inv#7060323650 Acct#706-6250	1,146.71	0.00	10,878.77
							889.00	0.00	10,878.77
Subtotal For Account: 1 0921.01							10,878.77	0.00	10,878.77
Grand Total Beginning Balances:							0.00	0.00	
Grand Total Transactions: 28							10,878.77	0.00	
Grand Total:							10,878.77	0.00	10,878.77

Handwritten notes:

Quotations 2020
 Old contract 4,930 * 9 = 44,370.00 *
 New Contract 889.00 * 889.00 *
 889.00 *
 889.00 *
 4,437.10 *
 7,104.10 *

Supplies 2020
 0 * C
 10,878.77 +
 0 * C
 10,878.77 *
 7,104.00 *
 3,774.77 *

06/23/2021 2:42:24 PM

GENERAL LEDGER
TRANSACTION DETAIL

JAN 2021 To JUN 2021

Date	Journal Description	Dept	Actv	BU Project	Mod	Jrnl Code Reference	Debit	Credit	Balance
Account: 1 0921.01 Custodian									
01/01/21	2021000351 Invoice	0	0		AP	0 Inv#7060324113	889.00		889.00
01/25/21	2021000865 Invoice	0	0		AP	0 ROLL DISPENSER	0.01		889.01
01/29/21	2021001070 Invoice	0	0		AP	0 wipes	42.99		932.00
	Net Amount For JAN 2021:						932.00	0.00	
02/01/21	2021001070 Invoice	0	0		AP	0 janitorial services	889.00		1,821.00
02/16/21	2021001569 Invoice	0	0		AP	0 DISPENSER	0.01		1,821.01
03/11/21	2021002095 Invoice	0	0		AP	0 cleaning service march	889.01		2,710.01
	Net Amount For MAR 2021:						889.00	0.00	
04/01/21	2021002868 Invoice	0	0		AP	0 CLEANING SERVICES APRIL	889.00		3,599.01
04/30/21	2021003738 Invoice	0	0		AP	0 PAPER TOWELS	52.99		3,652.00
	Net Amount For APR 2021:						941.99	0.00	
05/01/21	2021003738 Invoice	0	0		AP	0 JANITORIAL SERVICES	889.00		4,541.00
05/05/21	2021003907 Invoice	0	0		AP	0 C1135044 - PAPER TRASH, LINERS	31.99		4,572.99
05/24/21	2021004433 Invoice	0	0		AP	0 PAPER TOWELS	69.98		4,642.97
	Net Amount For MAY 2021:						990.97	0.00	
06/01/21	2021004549 Invoice	0	0		AP	0 706-6250 CLEANING SERVICES	889.00		5,531.97
	Net Amount For JUN 2021:						889.00	0.00	
	Subtotal For Account: 1 0921.01						5,531.97	0.00	5,531.97
	Grand Total Beginning Bal						0.00	0.00	
	Grand Total Transactions:						5,531.97	0.00	
	Grand Total:						5,531.97	0.00	5,531.97

2021
Custodian
Fee
Wipes
0 * C
5,531.97
3,336.00
197.97
889 * X
6 * =
5,336.00

PARAMETERS ENTERED:

Division: All
Accounts: 1 0921.01
Department: All
Activity: All
Sort By: Div//Acct
Date Selection: Period
Period: JAN 2021 To JUN 2021
Module: All
Journal Activity: All
Accounts With No Transactions: Yes
Extended Reference: No
Interface Detail: No
Group by Department: No

For our on-site fieldwork, we will provide you with sample lists of resident files, invoices and other supporting documentation in advance of our visit. Our audits typically do not require your accounting staff to prepare any schedules that are onerous or time consuming.

PROFESSIONAL FEES

At Marcum, our goal is to minimize the costs of our services while adhering to the highest level of professional standards. Our mission as a professional services firm is to maximize the value of the services we provide to our clients by maintain a high level of efficiency without compromising quality.

All-Inclusive Maximum Price

Marcum's proposed all-inclusive maximum price is provided below. Please refer to the *Schedule of Fees and Expenses* on the following page for a detailed breakdown for our fees.

Services	2021	2022	2023	2024	2025
Annual Financial Statement Audit*	\$ 42,500	\$ 43,500	\$ 44,500	\$ 45,500	\$ 46,500
IRS Form 990 and related state filings	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500

** If Uniform Guidance compliance audit is required, fees for that engagement will be a base charge of \$2,000 plus \$4,000 per major program.*

Billing Assumptions

We made the following assumptions in arriving at our estimated fees:

1. Client resources that we need to perform our work will be made available to us in a timely fashion. Specifically, suitable workspace for our staff and equipment, adequate access to your computer systems, internet access for our staff to receive and send email, access to the building, etc.
2. All document requests and other information required by us will be delivered to our team members within timetables determined during the planning phase of our engagement or on a timely basis if requested during the course our audit.
3. Information that we receive to perform our work will be accurate and complete.
4. There are no unforeseen circumstances that will prohibit us from working efficiently.
5. There are no disagreements concerning possible audit adjustments that cannot be resolved satisfactorily in a timely matter.

Should we be appointed, we will request a retainer upon execution of our formal engagement letter.

Out-of-Pocket Expenses

The aforementioned fee is all-inclusive. Marcum will not bill for direct out-of-pocket expenses, including but not limited to: travel, cost of report production and postage. Marcum will also waive our standard administrative fee, an allocation of overhead expenses that are not billed as direct reimbursable expenses.



April 1, 2021

Mila Barsegov
155 South Main Street, Suite 100
Providence, RI 02903

Dear Mila Barsegov:

Request for Audit Proposal

Pascoag Utility District (“PUD”), a not-for-profit electric and water company, is requesting proposals from CPA firms that have extensive experience in providing audit and tax services for not for profit organizations. The auditing services will be for fiscal years 2021, 2022, 2023, 2024 and 2025. The Rhode Island Public Utilities Commission regulates the Pascoag Electric Department.

PUD presents its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States. The Federal Energy Regulatory Commission (“FERC”) uniform system of accounts is used for the electric division and the National Association of Regulatory Utility Commissioners (“NARUC”) has been adopted for the water department.

Scope of services to be performed:

1. Audit the balance sheet of PUD at December 31, 2021, 2022, and 2023, 2024, 2025 and the related statements of revenue, expense, surplus and cash flows for the years then ended. The audit will be conducted in accordance with auditing standards generally accepted in the United States.
2. Management letter containing comments and recommendations with respect to accounting and administrative controls and efficiency.
3. Preparation of PUD’s form 990, Return of Organization Exempt of Income Tax for the years ending December 31, 2021, 2022, 2023, 2024, and 2025 and

As needed services that should be priced separately:

4. Federal Awards audit in compliance with OMB A-133.
5. Consultation on an “as needed” basis to provide advice and guidance on financial accounting and reporting issue with corresponding hourly rates.

Time Frame:

The following is the anticipated timeframe for the services to be provided:

Planning and Pre-audit work	December 2021
Begin Field work	February 2022
Financial statement draft for management review	Mid-March 2022
Issue of draft audit reports for review	Mid-March 2022
Issue Final Audit report (10 bond copies & 1 unbound)	Mid-March 2022
Provide draft information returns for management review	Mid-March 2022
File final information returns	April 2022

Proposal Content

In order to simplify the evaluation process and obtain maximum comparability, Pascoag Utility District requires that all responses to the RFP be organized in the format described below:

A. Executive Summary

Describe your understanding of the work to be performed and your firm's ability to perform the work within the time frame provided.

B. Professional Experience

Describe how and why your firm is qualified to be considered for this engagement. This should include an explanation of the firm's philosophy, size, structure, and qualifications with serving not for profit electric and water utilities.

C. Term Qualifications

Identify the specific partners, managers, and in-charge staff who will be assigned to this engagement if you are successful in your bid. Provide their bios specifying relevant experience to the type of services requested. Discuss commitment you make to staff continuity, including your staff turnover experience in the past three years.

D. Audit Approach

Describe how your firm will approach the proposed services, including the use of affiliates or staff from other locations, areas that will receive primary emphasis and the type of assistance that will be required from the staff at

Pascoag Utility District. Also discuss the firm's use of technology and the communication process used by the firm to discuss issues with management.

E. Fees

Please provide a firm estimate of fees for the services to be provided.

F. *Client References*

Include a list of relevant not for profit clients the firm has served within the past three years and furnish the names and telephone number for any references whom we may contact.

G. Additional Information

Please provide a copy of your most recent peer review report.

Evaluation of proposals

While price is an important factor, Pascoag Utility District will evaluate proposals on price and the following criteria:

- Prior experience auditing similar organizations
- Qualifications of staff to be assigned to the engagement
- CPA firm's understanding of the work to be performed
- References
- Completeness and timeliness of the proposal

PUD's business office is at 253 Pascoag Main Street, Pascoag RI 02859. A copy of the 2019 audited financial statements are available upon request.

For any questions, please contact Harle Young, Manager of Finance and Customer Service, at 568-6222 extension 1260 between 7:30 a.m. to 3:30 p.m.

Sealed bids will be accepted until 3:00 p.m. Friday, May 21, 2021 and must be marked on the sealed envelope "Auditing Proposal."

Pascoag Utility District is an equal opportunity employer.

Pascoag Utility District
253 Pascoag Main Street
P O Box 107
Pascoag, RI 02859



January 14, 2020

To the Board of Utility Commissioners
Pascoag Utility District
253 Pascoag Main Street
P.O. Box 107
Pascoag, RI 02859-0107

Re: Engagement of Marcum LLP

We are pleased to confirm our understanding of the services Marcum LLP ("Marcum," the "Firm," "we," "us" or "our") are to provide Pascoag Utility District (the "Organization," "you" or "your") for the year ended December 31, 2019. We will audit the Statement of Net Position of Pascoag Utility District as of December 31, 2019 and the related statement of revenues, expenses, and changes in net position, and cash flows for the year then ended, including the related notes to the financial statements, which collectively comprise the basic financial statements of Pascoag Utility District as of and for the year ended December 31, 2019. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Pascoag Utility District's basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Pascoag Utility District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis
- 2) Schedule of Changes in the Net Pension Liability and Related Ratios
- 3) Schedule of Contributions
- 4) Schedule of Investment Returns



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January 14, 2020
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We have also been engaged to report on supplementary information other than RSI that accompanies Pascoag Utility District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the basic financial statements as a whole:

- 1) Schedule of Net Position – Electric Division
- 2) Schedule of Revenues, Expenses and Changes in Net Position – Electric Division
- 3) Schedule of Operation and Maintenance Expenses – Electric Division
- 4) Cost of Utility Plant and Accumulated Depreciation – Electric Division
- 5) Schedule of Net Position – Water Division
- 6) Schedule of Revenues, Expenses and Changes in Net Position – Water Division
- 7) Schedule of Operating Revenue – Water Division
- 8) Cost of Utility Plant and Accumulated Depreciation – Water Division

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditors' report will not provide an opinion or any assurance on that other information.

- 1) Introductory Section
- 2) Schedule of Revenues and Expenses – Budget and Actual – Electric Division
- 3) Schedule of Revenues and Expenses – Budget and Actual – Water Division
- 4) Schedule of Operating Revenue and Statistical Data – Electric Division
- 5) Schedule of Electric Energy – Electric Division

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Pascoag Utility District and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Pascoag Utility District's financial statements. Our report will be addressed to The Board of Utility Commissioners of Pascoag Utility District.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-

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matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Pascoag Utility District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to Pascoag Utility District or to acts by management or employees acting on behalf of Pascoag Utility District. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements.

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However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential and any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from the Pascoag Utility District's attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures - Internal Controls

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures - Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Pascoag Utility District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

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January 14, 2020
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Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written 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 are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Pascoag Utility District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information.

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You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information. Professional standards prohibit us from being the sole host and/or the sole storage for your financial and non-financial data. As such, it is your responsibility to maintain your original data and records and we cannot be responsible to maintain such original information. If you are missing any documents or work papers from our prior years' engagements (if applicable), it is your responsibility to inform us. By signing this engagement letter you affirm that you have all the data and records required to make your books and records complete.

We will provide copies of our reports to Pascoag Utility District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

Management is responsible for the financial statements and all accompanying information as well as all representations contained therein. As part of the audit, we will assist with preparation of your financial statements and related notes. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance

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with *Government Auditing Standards*. You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Communication with Those Charged with Governance

As part of our engagement, we are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process as well as other matters we believe should be communicated to those charged with governance. Generally accepted auditing standards do not require the auditor to design procedures for the purpose of identifying other matters to communicate with those charged with governance. Such matters include, but are not limited to, (1) the initial selection of and changes in significant accounting policies and their application; (2) the process used by management in formulating particularly sensitive accounting estimates and the basis for our conclusions regarding the reasonableness of those estimates; (3) all passed audit adjustments; (4) any disagreements with management, whether or not satisfactorily resolved, about matters that individually or in the aggregate could be significant to the financial statements or our report; (5) our views about matters that were the subject of management's consultation with other accountants about auditing and accounting matters; (6) major issues that were discussed with management in connection with the retention of our services, including, among other matters, any discussions regarding the application of accounting principles and auditing standards; (7) serious difficulties that we encountered in dealing with management related to the performance of the audit; and (8) matters relating to our independence as your auditors.

Reproduction of Auditors' Report

If you intend to publish or otherwise reproduce the financial statements and make reference to our Firm, you agree to provide us with printers' proofs or masters for our review and approval before printing. You also agree to provide us with a copy of the final reproduced material for our approval before it is distributed. In addition, to avoid unnecessary delay or misunderstanding, it is important that you give us timely notice of your intention to issue any such document.

With regard to the electronic dissemination of the Company's annual or interim financial statements, including financial statements published electronically on the Company's website, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

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January 14, 2020
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If the Pascoag Utility District elects to issue public debt and not have us associated with the proposed offering. We agree that our association with the proposed offering is not necessary providing that the Pascoag Utility District agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The Pascoag Utility District agrees that the following disclosure will be prominently displayed in any such official statement or memorandum.

Marcum LLP has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Marcum LLP, also has not performed any procedures relating to this official statement.

Assistance By Your Personnel

We will ask that your personnel, to the extent possible, prepare required schedules and analyses, and make selected invoices and other required documents available to our staff. This assistance by your personnel will serve to facilitate the progress of our work and minimize our time requirements.

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.

Background Checks

As a matter of 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.

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Independence

Professional standards require that a firm and its members maintain independence throughout the duration of the professional relationship with a client. In order to preserve the integrity of our relationship, no offer of employment shall be discussed with any Marcum professionals assigned to the audit, including within the one year period prior to the commencement of the year-end audit. Pursuant to professional standards, should such an offer of employment be made, or employment commences during the indicated time period, we will consider this an indication that our independence has been compromised. As such, we may be required to recall our auditors' report due to our lack of independence. In the event additional work is required to satisfy independence requirements, such work will be billed at our standard hourly rates.

Furthermore, we strive 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 Organization, 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.

Confidentiality/Access to Working Papers

To the extent that, in connection with this engagement, Marcum comes into possession of your proprietary or confidential information, Marcum will not, except as described herein, 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 to the subject matter of this engagement letter, 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 you 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 you, your employees or agents which Marcum believes is not prohibited from disclosing such information to Marcum by obligation to you, (iv) is known by Marcum prior to its receipt from you, your employees or agents without any obligation of confidentiality with respect thereto, or (v) is developed by Marcum independently of any disclosures made by you or your employees or agents to Marcum of such information. In addition, you acknowledge and agree that any such information that comes to the attention of Marcum in the course of performing this engagement

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may be considered and used by Marcum in the context of responding to its professional obligations as your independent accountants.

The working papers prepared in conjunction with our engagement are the property of Marcum and constitute confidential information subject to the Public Records Laws of the Rhode Island Statutes. These working papers will be retained by us in accordance with applicable laws and with our Firm's policies and procedures. However, we may be required, by law or regulation, to make certain working papers available to regulatory authorities for their review, and upon request, we may be required to provide such authorities with photocopies of selected working papers.

The Firm is required to undergo a "Peer Review" every three years. During the course of a Peer Review engagement, selected working papers and financial reports, on a sample basis, will be inspected by an outside party on a confidential basis. Consequently, the accounting and/or auditing work we performed for you may be selected. Your signing this letter represents your acknowledgement and permission to allow such access should your engagement be selected for review.

As a result of our prior or future services to you, 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. If this occurs, 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.

Third-Party Service Providers

The Firm may, from time to time, and depending on the circumstances, use third-party service providers to assist us with the audit of your financial statements. 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, the Firm will remain responsible for the work performed by such third-party service providers.

Dispute Resolution Procedure, Waiver of Jury Trial and Jurisdiction and Venue for Any and All Disputes Under This Engagement Letter and Governing Law

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

The Firm and the Organization each hereby knowingly, voluntarily and intentionally waive any right either may have to a trial by jury with respect to any litigation based

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January 14, 2020
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hereon, or arising out of, under or in connection with this engagement letter and/or the services provided hereunder, or any course of conduct, course of dealing, statements (whether verbal or written) or actions of either party.

The Firm and the Organization 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 engagement letter, 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 engagement letter, any course of conduct, course of dealing and/or action of the Firm and/or the Organization 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 the Firm or the Organization, the prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs incurred, including through all appeals.

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 or we can no longer rely on the integrity of management), 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 attorneys' fees.

LIMITATION OF LIABILITY

You agree that our liability arising out of our services provided shall not exceed the total amount paid for the services described herein. This shall be your exclusive remedy.

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

The Pascoag Utility District hereby indemnifies Marcum and its partners, principals, and employees, and holds them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been a known misrepresentation by a member of the Pascoag Utility District's management, regardless of whether such person was acting in the Pascoag Utility District's interest. This indemnification will survive termination of this letter of engagement.

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January 14, 2020
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If Pascoag Utility District is required to undergo a single audit in accordance with the Federal Single Audit Act Amendments of 1996 and the provisions of the Uniform Guidance, we will discuss with you the additional fees which will be dependent on the number of programs determined to be a major program based on the determination required by the Uniform Guidance. Also, a new engagement letter will have to be provided that meets the requirements of the Federal Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

We are always available to meet with you and/or other management personnel at various times throughout the year to discuss current business, operational, accounting and auditing matters affecting your Organization. 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 be pleased, at your request to attend your Commission meetings.

Timeline

Our engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

Fees

Our fee will be based on the terms of our proposal dated July 28, 2017 which includes 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.

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January 14, 2020
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Agreement

This letter 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. 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 Pascoag Utility District 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, and you have consented to the accompanying Electronic Record and Signature Disclosure, please affix your e-signature and return the letter to us via DocuSign and we will return a fully executed letter to you.

James D. Wilkinson, CPA, is the Engagement Partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

This agreement is renewable at the option of Pascoag Utility District. We appreciate the opportunity to be of service to Pascoag Utility District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know.

Very truly yours,

Marcum LLP

DocuSigned by:
James Wilkinson
4A501DC74DD947A...

James D. Wilkinson, CPA
Partner

ACCEPTED

This letter correctly sets forth the agreement of Pascoag Utility District.

Authorized Signature *Michael Kirkwood*
61EEDE7BD91042A...

Title: General Manager

Date signed: 2/18/2020

APPENDIX A

Pascoag Utility District Circumstances Affecting Timing and Fee Estimate

The estimated fee is 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 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. All requested schedules are not (a) provided by the accounting personnel on the date requested, (b) completed in a format acceptable to Marcum (c) mathematically correct, or (d) in agreement with the appropriate underlying records (e.g., general ledger accounts). Marcum will provide the accounting personnel with a separate listing of required schedules and deadlines.
3. Weaknesses in the internal control.
4. Significant new issues or unforeseen circumstances as follows:
 - a. New accounting issues that require an unusual amount of time to resolve.
 - b. Changes or transactions that occur prior to the issuance of our report.
 - c. Changes in the Organization's accounting personnel, their responsibilities, or their availability.
 - d. Changes in auditing requirements set by regulators.
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 Organization, are not located by the accounting personnel or made ready for our easy access.
6. A significant level of proposed audit adjustments are identified during our audit.
7. Changes in audit scope caused by events that are beyond our control.
8. Untimely payment of our invoices as they are rendered.



January 15, 2021

To the Board of Utility Commissioners
Pascoag Utility District
253 Pascoag Main Street
P.O. Box 107
Pascoag, RI 02859-0107

Re: Tax Compliance for the year ended December 31, 2020

Dear Client:

Thank you for choosing Marcum LLP ("Marcum," "we," "us" or "our") to provide tax compliance services for Pascoag Utility District ("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 tax compliance services for Client for the year ended December 31, 2020.

Services

Our services ("Services") are performed in accordance with the American Institute of Certified Public Accountants' ("AICPA") Statements on Standards for Tax Services and include the following:

- Preparation of the Federal and State tax returns for the year ended December 31, 2020 as outlined in **Attachment B**.
- Preparation of Federal and State extension payment calculations and applicable forms for the year ended December 31, 2020 for the States listed in **Attachment B** (if necessary).
- Preparation of Federal and State estimated tax payment calculations and applicable forms for the year ended December 31, 2020 for the States listed in **Attachment B** (if necessary).

Unless separately engaged, the tax filing requirements set forth in **Attachment B** are the only income tax returns for which Marcum has responsibility. Our Services under this Agreement will also cover responses to routine questions and preliminary research, which may be billed for separately. 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.



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January 15, 2021
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While we are not engaged to do so, we may identify other tax return and filing obligations. In such case, we will discuss the additional services and fees for those additional tax return and filing obligations; however, we will not be responsible for such additional tax return and filing obligations unless agreed to in writing.

Your returns may be selected for review by the applicable taxing authorities. Any proposed adjustments by the examining agent are subject to certain rights of appeal. In the event of such government tax examination, we will be available upon request to represent you which is outside the scope of this Engagement.

Additional Tax Services

Our Services under this Agreement will not include:

- The preparation of any returns not listed in **Attachment B**, including, but not limited to: amended returns, or any non-income tax returns, such as sales and use tax returns, local property tax returns, payroll or other trust tax returns and information returns for employee benefit plans.
- 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.

If there are additional returns, filings, or other services that you wish us to provide for the tax year ended December 31, 2020, please contact us as soon as possible and we will amend **Attachment B** to include such additional services that we shall provide subject to the terms of this Agreement. The parties shall agree to the additional services by mutually agreeing to the additional services in writing, including by email. The fees for any additional services will be based on the services to be provided, the timeliness and completeness of the information and documentation provided to us, firm technology, firm processes, and time required of personnel.

Electronic Return Filing and Payment

Federal and state laws require the electronic filing of certain tax returns, requests for extensions or tax payments (i.e., quarterly estimates or other tax deposits). In some cases, a taxpayer may elect to file a tax return or make a payment in paper format and in other cases a taxpayer may not be permitted to opt out of electronic filing or payment. If Client would like to opt out of electronic filing or payment and file returns or pay in paper format, Client must contact us immediately so that we can determine if opting out is legally permissible and provide Client with any required documentation.

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We will use our best efforts to electronically file Client's tax returns or submit payment. We will provide Client with the information to be included on the return or voucher for your review and approval prior to filing or payment. We are legally required to obtain Client's written authorization prior to electronically filing your tax return or submitting payment so it is critical that you appropriately sign and return the authorization form to permit electronic filing of your return by the return's due date and email your authorization to electronically submit payment by the payment's due date. If you do not return your written authorization to electronically file your tax return or email your authorization to electronically submit payment to us within one week prior to the return's or payment's due date, your return or payment may not be timely filed or submitted; we are not responsible for any interest or penalties arising from any such late filing or payment.

If Client is electronically filing its tax returns or submitting payment, Client is obligated to electronically pay the tax due and, unless otherwise determined in consultation with us, Client must ensure that there are sufficient funds available in Client's account to pay such tax. When required or requested, we seek to make timely electronic payment of the Client authorized amount on Client's behalf; however, once authorized, we are unable to change the amount of the authorized payment due to the taxing authority's (i.e. Internal Revenue Service) system limitations. In the unlikely event that there is an electronic or other issue, and the amount of the authorized payment is incorrect or not timely paid, we will not be responsible for any interest or penalties. We are unable to confirm payments from financial institutions. We therefore recommend that Client confirm with its bank that the approved amount was timely paid.

Occasionally, technical limitations prevent electronic filing of a particular return or payment. If we cannot electronically file your tax return or submit payment due to technical limitations or for another reason, we will provide your return or payment to you for filing in paper format. If any return or payment is provided to Client in paper format, it is critical that you sign, date and mail the return or payment by its due date.

You will be responsible for any penalties and interest assessed by tax authorities for the late filing of returns or deposit of tax. You have the final responsibility for all tax returns, including any payroll tax returns. You should check all returns carefully before signing them.

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).

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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

The anticipated fees for the services above are outline in a separate audit engagement letter.

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. 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.

Other Matters

As you know, we will be pleased to respond to your request for our tax services in areas beyond the scope of this Agreement. Except where a separate engagement letter is used, the terms of this Agreement, including the attached Engagement Terms (**Attachment A**) will also apply to any amendments to this Agreement.

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.

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January 15, 2021
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If you agree with the terms of our engagement, as described in this letter, and you have consented to the accompanying Electronic Record and Signature Disclosure, please affix your e-signature and return the letter to us via DocuSign and we will return a fully executed letter to you.

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.

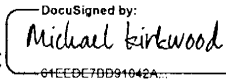
Very truly yours,

Marcum LLP

David A. Fontaine, CPA

AGREED AND ACCEPTED:

This Agreement correctly sets forth the agreement by Pascoag Utility District.

Signature:  _____
61EEDE7DD91042A...

Date: 1/25/2021

Title: General Manager

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 timeliness, 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) and we will perform the services on that basis. 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 will designate a qualified and competent member of management to oversee the services and be responsible for all management functions and decisions relating to this engagement, including evaluating the adequacy of the scope of the Services in addressing Client's needs and results of the Services performed who possesses the suitable skills, knowledge, and/or experience to assume all management responsibility. 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 uses 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 complete 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. Marcum's workpapers and documentation of Services constitute Marcum's confidential and proprietary information. Marcum's retains information and documentation consistent with its document retention policies. Client's use of Marcum's deliverables or other work product (except for copies of filed tax returns) shall be limited to the item's stated purpose (if any) and is for Client's sole internal benefit, use and purposes only. Marcum's services, deliverables or other work product shall not 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 agrees to indemnify and hold harmless Marcum, its partners, principals and personnel, affiliates and subsidiaries from and against all third party claims, losses, liabilities, damages, judgments, demands, actions (including court and other costs, expenses, attorneys' and advisors' fees or other costs incurred by penalty or otherwise) arising from or relating to this agreement, the services, deliverables or Marcum's engagement. This indemnification will survive termination of this letter of engagement. 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 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 acceptance of this 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. Cryptocurrency Accounts: If you have a direct or indirect financial interest in or have signature authority over any cryptocurrency financial accounts, you may be required to report these transactions on your income tax returns. If you have cryptocurrency accounts, the information needed to complete your income tax return will include the name of the account and details of all purposes and sales that occurred during the year. Your acceptance of this engagement letter referencing these terms acknowledges that you agree to comply with these reporting requirements.
7. 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 Clients 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.

8. 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.

9. 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.

10. 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.

11. 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.
12. 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.

13. 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.
14. 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.

15. 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.

16. Third-Party Service Providers. Marcum may use or subcontract the Services to its affiliates, subsidiaries and/or third parties, including contractors and subcontractors, in each case within or outside of the United States (including, without limitation, D&V Philippines Outsourcing Inc., Pierian Inc. or others) (each, a "Subcontractor") in connection with the provision of Services and/or for internal, administrative and/or regulatory compliance purposes. Client agrees that Marcum may provide confidential and other information Marcum receives in connection with this agreement to Subcontractors for such purposes. Marcum maintains internal policies, procedures and safeguards to protect the confidentiality of your information and Marcum will remain responsible for the work performed by such Subcontractors. Notwithstanding anything to the contrary in this agreement, Client agrees that Marcum may disclose Client's current and/or prior years' tax return information to Subcontractors within or outside the United States for the purposes described above and in this agreement. Client authorizes Marcum to participate in discussions with and to disclose your information, including your tax return information, to your agents, representatives, administrators or professional advisors (including accountants, attorneys, financial and other professional advisors), their respective officers, directors or employees, and other parties as you may direct.
17. 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.
18. Business Risk Allocations. Client agrees that Marcum's liability arising from or relating to the Services, deliverables or any related work product shall in no event exceed the total amount received hereunder for the portion of the work giving rise to liability. In no event shall Marcum be liable for any special, indirect, consequential, incidental, punitive 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 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 indemnify and hold harmless 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 or claim, regardless of form, arising from or relating to the Services or this Agreement may be brought by Client more than one year after the date the last Service was provided under this Agreement.

19. 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.

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, construed, enforced and interpreted in accordance with 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.

20. 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.

21. 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

LIST OF TAX RETURNS INCLUDED IN THIS ENGAGEMENT

- Federal Form 990