



DMR & Associates, P.A.

CERTIFIED PUBLIC ACCOUNTANTS AND ADVISORS

May 8, 2025

Board of Directors
Condominium Association of Valiant House, Inc.
801 S. Ocean Drive
Hollywood, FL 33019

We are pleased to confirm our understanding of the services we are to provide for **Condominium Association of Valiant House, Inc.** (the “Association” or “you”) for the year ended December 31, 2024.

Audit Scope and Objectives

As agreed, **DMR & Associates, P.A.** (the “Firm” or “we”) will audit the financial statements of **Condominium Association of Valiant House, Inc.**, which comprise the balance sheet as of December 31, 2024, and the related statements of revenues, expenses, and changes in fund balance and cash flows for the year then ended, and the disclosures (collectively, the “financial statements”). The financial statements will include supplementary information about future major repairs and replacements required by the Financial Accounting Standards Board (FASB). Although we will apply certain limited procedures with respect to the required supplementary information, we will not audit the information and will not express an opinion on it. Also, the supplementary schedule of expenses accompanying the financial statements will be subjected 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 (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor’s report on the financial statements:

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor’s report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

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Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable 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 the Association or to acts by management or employees acting on behalf of the Association.

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 an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. 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. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes 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. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will obtain an understanding of the Association and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance internal control related matters that are required to be communicated under professional standards.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and direct confirmation of certain assets and liabilities by correspondence with selected owners, customers, creditors, and financial institutions. Our procedures will not determine whether the funds designated for future major repairs and replacements are adequate

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to meet such future costs because such a determination is outside the scope of the engagement. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America. You are also responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the Association's ability to continue as a going concern within one year after the date that the financial statements are available to be issued. 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the Association from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You 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 Association involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected

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fraud affecting the Association received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the Association complies with applicable laws and regulations. You are responsible for the preparation of the required supplementary information about future major repairs and replacements. You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America. 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. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

Non-attest Services

We will also assist in preparing the financial statements of the Association in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. Our services do not include any determination as to whether the Association has complied with sales and use tax laws and regulations.

You agree to assume all management responsibilities for the financial statement preparation services, and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all confirmations or schedules we request and will locate any documents selected by us for testing.

Diana Rivera is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

We estimate that our fees for the audit will be \$8,000. You will also be billed for out-of-pocket costs such as report production, word processing, postage, confirmation service provider fees, etc. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter, and our fees will be adjusted accordingly. Our invoices for these fees will be rendered as follows: 50% at the commencement of the engagement; and 50% upon issuance of audit draft, and are payable on presentation. Invoices that are unpaid 30 days past the invoice date are deemed delinquent and we reserve the right to charge interest on the past due amount at the lesser of (a) 1.0% per month or (b) the maximum amount permissible by applicable law. Interest shall accrue from the date the invoice is delinquent. We reserve the right to suspend our services, withhold any deliverables, or withdraw from this engagement entirely if any of our invoices are delinquent. In the event that any collection action is required to collect unpaid balances due to us, you agree to reimburse us for all our costs of collection, including without limitation, attorneys' fees.

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This fee structure does not take into consideration the effects of implementing any future standards promulgated by the FASB and/or other professional bodies will have on our audit procedures. Also, work performed in connection with any special assessment, and/or significant construction project, as well as for any additional procedures resulting from significant audit issues encountered, will be billed additionally.

Reporting

We will issue a written report upon completion of our audit of Condominium Association of Valiant House, Inc.'s financial statements. Our report will be addressed to the Board of Directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion or add an emphasis-of-matter paragraph, other-matter paragraph, or separate section to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is 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 an opinion, we may decline to express an opinion or withdraw from this engagement.

Other Services

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

OTHER ENGAGEMENT TERMS

Engagement documentation, retention, and production. Engagement documentation for these services is our property and constitutes confidential information. It is our policy to keep records related to this engagement for seven years. However, our firm does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies. In the event we are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagements for the Association, we will inform you of our having received such notification. In connection therewith, the Association will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our reasonable professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

Dispute resolution. Should any problems arise concerning our professional services, you agree to inform the Engagement Principal in writing within ninety days of the completion or termination of our services and give us the opportunity to correct the purported problem within a reasonable time. If we are unable to resolve any dispute related to this Letter, the parties agree first to try in good faith to settle the dispute by mediation with an agreeable neutral mediator in Miami, Florida. This mediator's fee shall be shared equally by the parties. If mediation is unsuccessful, any controversy, claim, or breach related to this Letter shall be settled by arbitration in accordance

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with the Arbitration Rules for Accounting and Related Services by the American Arbitration Association. Reasonable costs and fees of both parties and the arbitration will be borne entirely by the non-prevailing party. The arbitration shall be binding and final and the award may be entered in any court having jurisdiction thereof.

Email Communication. The Firm disclaims and waives, and you release the Firm from, all liability for the interception or unintentional disclosure of email transmissions or for the unauthorized use or failed delivery of emails transmitted or received by the Firm in connection with the services we are being engaged to perform under this Agreement.

Independence. Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to your Association in the performance of our services. Any discussions that you have with personnel of the Firm regarding employment could pose a threat to our independence. Therefore, we request that you inform us prior to any such discussions so that we can implement appropriate safeguards to maintain our independence.

Limitation of Liability. Except to the extent finally determined to have resulted from the fraud or intentional misconduct of any member of the Firm, the Firm's liability to the Association for any claims arising under this Agreement shall not exceed the aggregate amount of fees paid by the Association to the Firm during the 12 months preceding the date of the claim for the services giving rise to the claim, regardless of whether such liability arises in contract, statute, tort (including the negligence of any member of the Firm), or otherwise. In no event shall the Firm be liable for consequential, special, indirect, incidental, punitive, or exemplary losses or damages relating to this Agreement.

Termination. Upon notice to the Association, the Firm may terminate this Agreement if the Firm reasonably determines that it is unable to perform the services described in this Agreement in accordance with applicable professional standards, laws, or regulations. If we elect to terminate our services for any reason provided for in this Agreement, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. If the Agreement is terminated, the Association agrees to compensate the Firm for the services performed and expenses incurred through the effective date of termination. Those provisions in this Agreement that, by their very nature, are intended to survive termination shall survive after the termination of the Agreement, including, but not limited to, the parties' obligations related to any of the following provisions: limitation of liability, confidentiality, dispute resolution, and payment and reimbursement obligations.

Third Party Disclosure and the use of Third-Party Services. Unless you indicate otherwise, you consent to and authorize our firm to transmit confidential information that you provide to us to third parties in order to facilitate delivering our services to you. Examples of such transmissions may include, but are not limited to, the access to your contact information by members of our team (independent contractors such as consultants, or administrative assistants), transfer of accounting information and other data files via the internet, online back-up services, or an accounting software company.

Releases. Neither party to this Agreement shall be liable to the other party for: (i) any consequential damages (including, without limitation, lost revenue or lost profits) or incidental, special or punitive damages, even if advised of the possibility of such damages, or (ii) for acts of negligence, in connection with or arising out of the services performed hereunder, unless it is also proven to an arbitration panel that the party was an intentional wrongdoer in accordance with law

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of the jurisdiction where arbitration occurs. Any damages assessed to the Firm under any circumstances shall be limited to the engagement fees incurred and paid pursuant to this Agreement. In the event that we become obligated to pay any judgment or similar award, agree to pay any amount in settlement, and/or incur any costs as a result of any inaccurate or incomplete information that you provide to us during the course of this engagement, you agree to indemnify us, defend us, and hold us harmless as against such obligations, agreements, and/or costs.

Other. This Letter is contractual in nature and includes relevant terms that will govern our engagement. Other prior oral or written representations are superseded. If any portion of this Letter is deemed invalid or unenforceable, said finding shall not operate to invalidate the remainder of the terms set forth in this Letter.

* * * * *

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please print and sign an original of this engagement letter, retain a copy for your files, and return it to us.

Very truly yours,

DMR & Associates, P.A.



RESPONSE:

The Association's signature below represents that it has the full power and authority to enter into this Agreement on behalf of the Association. Acknowledged and agreed on behalf of Condominium Association of Valiant House, Inc. by:

<i>Patrick Nolan</i>	dotloop verified 05/17/25 2:22 PM EDT EUOL-PLIU-2MCA-HKFM
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Signature: _____

Title: President

Date: _____

Condominium Association of Valiant House, Inc.