

DANIEL W. SHERMAN, d/b/a Daniel W Sherman PC
ATTORNEY AT LAW

** LICENSED IN MULTIPLE STATES **

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VIA E-MAIL ONLY LILLATMD1@GMAIL.COM AND DVIDERSMD@GMAIL.COM

October 26, 2023

Dr. Lilla Tilghman
Dr. Dan Vidars
Dr. Dan's, LLC
28 Lynwood Lane
West Boylston, MA 01583

Re: Legal Services provided for *Dr. Dan's, LLC*

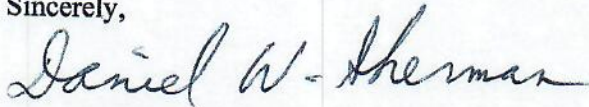
Dear Lilla and Dan:

This letter confirms that I have provided legal services to Dr. Dan's, LLC since its formation in February 2017. Included with this legal representation are services I provided in dealings with the Long, Schaefer & Company, Inc. accounting firm over a several-year period.

This letter further confirms that Dr. Dan's, LLC has paid me over \$2,600 on matters solely related to Long, Schaefer & Company's mis-dealings/inactions/failures related to contracted-for tax-related services for Dr. Dan's, LLC since early 2019 to the present.

Under penalties for perjury, the facts stated in this letter are true and correct.

Sincerely,



Daniel W. Sherman

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May 24, 2023

Via Email

Dr. Daniel Vidars
Dr. Dan's LLC
28 Lynwood Lane
West Boylston, MA 01583-1017

Re: Losses resulting from delinquent California state income tax returns

Dr. Vidars:

This is in response to your call asking for a summary of the additional cost that were incurred due to the failure of Dr. Dan's outside accountants to timely prepare and file California state income tax returns for years ended 12/31/2017, 12/31/2018, 12/31/2019.

1. ***Additional Tax Liability*** - The periods in question are calendar 2017, 2018 and 2019. Had the returns been timely filed, there would have been a liability based upon the California minimum franchise/income tax liability of \$800 for the first two years, and based on the information available to us, nothing for the third. Thus, the total liability should have been \$1,600.00. Since returns were not filed on a timely basis, California made a projection of the company's income issued a Notice of Assessment indicating a liability totaling \$43,761.63 (see attached). We assisted in the preparation of delinquent tax returns for the three periods in question which resulted in the following assessments:

Description	12/31/2017	12/31/2018	12/31/2019
Revised Tax	\$800.00	\$800.00	Pending
Interest	\$231.33	\$180.18	Pending
Penalties	\$871.93	\$180.18	Pending
Totals	\$1,899.26	\$1,829.08	Pending

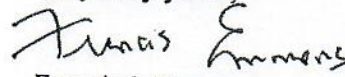
We anticipate that we will be able to but are still working with the California Franchise Tax Board in order to eliminate the assessment for 2019 in its entirety. It is our understanding that some additional charges for penalties and interest were incurred in the process of trying to get these reduced assessments for 2017 and 2018 paid off. You should have records of these added costs. Obviously, the penalties and interest would not have been occurred had these state income tax returns been timely prepared as the accountants indicated they would do.

2. **Professional Fees-** Attached is a summary of our billing records concerning professional fees incurred in attempting to reduce the liabilities. The current total ignoring potential additional fees and expenses in eliminating the assessment for 2019 is \$4,456. Again, this is an additional cost that would have been incurred but for the fact that the accountants failed to timely prepare tax returns for the periods in questions.

3. **Lost Accounting Records-** At this juncture, we are not in the position to offer any advice as to what liability, if any, has been incurred as a result of the accountant's loss of your financial records. One alternative would be to project the cost associated with reconstructing these records (presumably a substantial amount). A second alternative would be to estimate the additional cost that you incurred in attempting to deal with this error (i.e., additional time incurred by you and other employees of the company) and leave the issue open in the hope that the loss of records for these prior years will not give rise to any material issues. Again, we have no basis for determining what additional cost were incurred but we presumed that they were not insubstantial.

If there any questions concerning this, please call.

Very truly yours,



Francis J. Emmons

Enclosures

Invoice Inquiry Report
 Last Payment (05/17/2023): 885.00
 Dr. Dans LLC / California Tax Issues (19017-00001)

Invoice	Client	Matter	Matter Description	Type	Date	Billed	Receipts	Adjustments	Total	Balance	Status	Check No.	Check Date	Payor
308546	19017	00001	California Tax Issues	Invoice	8/11/2022	1,840.00	0.00	0.00	1,840.00	1,840.00	Paid			
308546	19017	00001	California Tax Issues	Payment	9/19/2022	0.00	-1,840.00	0.00	0.00	0.00		1652	9/11/2022	Dr. Dan's LLC
310309	19017	00001	California Tax Issues	Invoice	9/8/2022	1,150.00	0.00	0.00	1,150.00	1,150.00	Paid			
310309	19017	00001	California Tax Issues	Payment	12/19/2022	0.00	-1,150.00	0.00	0.00	0.00		1682	12/10/2022	Dr. Dan's LLC
316990	19017	00001	California Tax Issues	Invoice	12/5/2022	345.00	0.00	0.00	345.00	345.00	Paid			
316990	19017	00001	California Tax Issues	Payment	12/19/2022	0.00	-345.00	0.00	0.00	0.00		1682	12/10/2022	Dr. Dan's LLC
327223	19017	00001	California Tax Issues	Invoice	4/6/2023	236.00	0.00	0.00	236.00	236.00	Paid			
327223	19017	00001	California Tax Issues	Payment	4/19/2023	0.00	-236.00	0.00	0.00	0.00		1719	4/6/2023	Dr. Dan's LLC
329202	19017	00001	California Tax Issues	Invoice	5/3/2023	885.00	0.00	0.00	885.00	885.00	Paid			
329202	19017	00001	California Tax Issues	Payment	5/17/2023	0.00	-885.00	0.00	0.00	0.00		1735	5/10/2023	Dr. Dan's LLC
						4,456.00	-4,456.00	0.00						