

February 21, 2020

Flanagan & Jason, Inc.
Attn: Gordon Balme
2831 Ringling Blvd., Suite 204B
Sarasota, FL 34237

Sent Via Email: gbalme@fj-cpa.com

RE: Vintage Grand Condominium Association, Inc.

Dear Mr. Balme:

This letter is in response to our client's request to provide you with information regarding your 2019-year-end audit of the Vintage Grand Condominium Association, Inc. ("Vintage Grand").

Pending Litigation, Claims and Assessments:

Current litigation for which our firm represents Vintage Grand:

1. Our firm has made a claim against the Vintage Grand insurance carriers for collapse coverage under 2015 and 2016 policies. There is a pending arbitration against the 2016 insurance carrier on this claim. The request for arbitration was made August 31, 2018. The case is in the discovery stage and we anticipate the arbitration to be held later this year. The damage claim is in excess of \$15 million. True forecast of the outcome of this case will depend largely upon information obtained during the discovery phase. We have conferred with or experts and are confident that the claims are well supported. The insurance carriers have denied liability on the claims. Our firm is retained on a contingency basis on that matter. Therefore, there were no outstanding amounts due to our firm as of December 31, 2019 on this matter.

2. Our firm has also filed a claim against Insurance Office of America and CRC Insurance Services, Inc. for breach of contract and negligence. This claim is related to the insurance policy against which the above stated claim has been made. The action was filed in Circuit County Court on February 14, 2020. The damages sought are also the \$15 million, as stated above. At this point, our firm is due nothing from the Association on this matter. The case is in its infancy. However, naturally, we would not have commenced a case that we did not believe would be supported by the facts and circumstances leading to the claim.

SARASOTA (Primary)
1990 Main Street, Suite 725, Sarasota, FL 34236
(941) 316.0111 F: (941) 316.0515ST. PETERSBURG (By Appointment)
970 Lake Carillon Drive Suite 300, St. Petersburg, FL 33716
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ORLANDO (By Appointment)
214 S. Lucerne Circle, Orlando, FL 32801
(407) 956.2184FT. MYERS/NAPLES (By Appointment)
1415 Dean Street, Fort Myers, FL 33901
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If you need further information or have any questions, please contact me.

Sincerely,



Salvatore G. Scro, Esq.
For the Firm
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Direct: (941) 308-3155

SGS/hom

cc: Vintage Grand Condominium Association, Inc. (via e-mail)