

December 2, 2014

The Honorable John W. Thornton  
Eleventh Judicial Circuit of Florida  
Circuit Civil Division: CA 40  
Miami-Dade County Courthouse  
73 West Flagler Street  
Miami, FL 33130  
Room Number: DCC 1017

Re: Kelly Hyman, and Bouganvilla Investments, Inc. v. Arnold Daoud, Titan Signs, Inc., Garden Apartments, Inc., Alexander A. Daoud, and The Alex Daoud Irrevocable Trust  
Case No: 12-44972 CA 40  
Subject: Bouganvilla Investments Inc. Equitable Accounting  
Attorneys: Mr. Bernardo Burstein (representing Kelly Hyman et al) & Mr. Alex Brito (representing Mr. Alex Daoud et al)

Dear Judge Thornton,

I trust this letter finds you great. I was chosen by a third party and respectively engaged by Mrs. Hyman and Mr. Daoud in February 2014 (signed engagement letters are available upon request) to provide equitable accounting for Bouganvilla Investments, Inc. ("BI") from inception through 2013. What seemed to be a somewhat easy task has turned out to be quite a nightmare for lack of better words. Between requesting information from both parties, not hearing from either party for a period of time from end of July through early October and outstanding invoices dating back to May of 2014 this engagement has not been as effective and efficient as I would have liked. Below I will summarize the work I have done to-date as well as the issues that have arisen throughout the engagement that have led to these inefficiencies. I will also include an attachment with numerical information explained below in more detail.

As noted above, I was engaged by the above referenced parties in February 2014 and began the accounting work for BI immediately. I was given a box of documents provided by Mr. Alex Brito (attorney representing Alex Daoud and related entities/parties) that contained numerous documents as well as numerous faxes received by Mr. Alex Daoud throughout 2014 that were related to the accounting and record keeping of BI. I detailed everything I have/had received and let all parties aware of all the documents that were sent to me and how they were going to be incorporated into the equitable accounting. What should have been an easy task of accounting and classifying assets, liabilities, equity, revenues and expenses became an exhausting exercise as it was difficult to get agreement between both attorneys on the correct classification and the correct amount of support needed for each outflow/inflow. After working on the accounting over the course of a few months I held a meeting at my office on July 25, 2014 with both attorneys to go over various accounts that needed to be addressed relating to items that had no support for the outflow or the inflow of funds and therefore remained uncategorized in the accounting. Upon completion of the meeting, I sent the information needed to be addressed to both parties and did not hear back from either party until October 2014 when I finally heard back from Mr.

Daoud who provided me with additional documents to attempt to clear up undocumented outflows and inflows to correctly assign to a balance sheet or income statement account.

Even though there is still quite a bit of information left to correctly classify I was able to correctly classify various outflows/inflows per party as of the meeting on 7/25/2014. The attached document contains all balance sheet accounts that relate to the parties above as well as the accounts that need clarification and support by both parties so that are correctly reported in the correct account. Any information sent post 7/25/2014 by the parties has not been incorporated into these amounts contained in the attachment. Through today, the accounting is still not complete as there are still numerous items that need to be correctly classified such as the Suspense account, Deposits BBT-83694 account and the Account 8041398325. Please note that accounts "Arnold Alex Daoud", "Titan Signs Inc", "Garden Apartments, Inc." and "Walgreens" all belong to payments made on behalf of Mr. Alex Daoud et al or monies contributed into BI by Mr. Alex Daoud et al.

In fairness to Mr. Brito and Mr. Daoud they were the only party that provided me with any documents throughout this whole time and attempted to clear up the undocumented items to have an equitable accounting done before the decision of the Court. Also note that Mr. Daoud has paid in full his share of all the invoices in regards to this matter. On the other hand, Mrs. Hyman has not paid her portion of the invoices dating back to May 2014 (3 in total) and has not supplied me with any documentation or support for any of the items that have been requested since inception. I am not sure if this has been purposely done to attempt to slow down the delivery of the accounting before the court's decision or if there is another reason behind the nonpayment of my invoices and the lack of document retrieval. As mentioned above, what should have been an easy task of accounting has been a lot more difficult due to the lack of agreement by both sides.

I appreciate your time on this matter and as a professional it is my duty to make you aware of the issues I have faced with this engagement. I am also emailing this letter to [cbl@jud11.flcourts.org](mailto:cbl@jud11.flcourts.org) with the case number as the subject line. I pride myself and my firm in being ethical, fair and transparent in regards to our services and always ask the same from all our clients engaged. As both parties know, I am no longer working on this matter until my fees are paid in full. Please feel free in contacting me at 305-446-3177 to discuss this letter and matter in more detail.

Sincerely,



Richard F. Puerto, CPA

Attachments:

1. Balance Sheet Analysis as of 12/31/2013 dated 7/25/2014.

cc: Mr. Alex Brito (by email: [ABrito@zarcolaw.com](mailto:ABrito@zarcolaw.com))  
Mr. Bernardo Burstein (by email: [BBurstein@Bursteinpa.com](mailto:BBurstein@Bursteinpa.com))

Bouganvilla Investments, Inc.  
 Balance Sheet Analysis at 12/31/13  
 Preliminary as of 7/25/2014

Account Description	Amount	Due From/Due To	Account Information	Comments
<b>Wachovia Mortg - Capri Gardens</b>	11,218.03	"Due From"		This amount represents payments from Bouganvilla bank accounts to Wachovia/Wells Fargo Bank on behalf of 11925 NE 2nd Ave, B306. Please note that any association fees paid to this same property are currently sitting in the profit/loss statements instead of the balance sheet such as these mortgage payments and would not be reflected in any "Due From"/"Due To"
<b>1750 Mortgage</b>	(500,000.00)	"Due To"		Principal amount of Mortgage at 12/31/13. No documents to verify but basing information off of mortgage document indicating interest only loan.
<b>Suspense</b>	(50,406.18)	Net "Due To"		Net amount of unclassified outflows/inflows mostly dealing with expense items paid on behalf of Bouganvilla Inv., Inc that have not been verified with support. See next tab for break down. There are also a few deposits and other inflows that need to be characterized as revenue or "Due to". This account also has various checks paid out of Bouganvilla's bank accounts that have not been classified as an "expense" or a "Due From"
<b>Arnold Alex Daoud</b>	(15,785.00)	"Due To"		Total amount of verified payments paid on behalf of Bouganvilla Inv., Inc.
<b>Titan Signs Inc</b>	(416,360.61)	"Due To"		Total amount of verified payments paid on behalf of Bouganvilla Inv., Inc.
<b>Garden Apts Inc</b>	(53,746.57)	"Due To"		Total verified payments paid on behalf of Bouganvilla Inv., Inc. out of Garden Apts. Inc. Bank accounts
<b>Walgreens</b>	(30,200.00)	"Due To"		Amount of monies deposited into Bouganvilla Bank accounts that are Paid from Walgreens labeled checks. There are copies of physical checks to support this amount. These amounts relate to A. Daoud.  Per client discussion these amounts were reported as income on the personal tax returns for the years in question.
<b>Capri Garden Deposits</b>	(33,504.50)	"Due To"/"Revenue"	started as Colonial #4691, ended as BB&T 4971	Total amount of unclassified deposits into this account. These can range from rental payments to loans to capital contributions.
<b>Deposits BBT - 83694</b>	(76,788.96)	"Due To"/"Revenue"	started as BB&T #3694, ended as BB&T 1578	Total amount of unclassified deposits into this account. These can range from rental payments to loans to capital contributions.
<b>Account 8041398325</b>	(106,045.03)	"Due To"/"Revenue"	started and ended as Colonial #8325	Total amount of unclassified deposits into this account. These can range from rental payments to loans to capital contributions.