



**Baker Tilly WM LLP**  
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January 19, 2022

Vishal Kundi  
CEO  
Boxx Insurance Inc.  
420 - 20 Toronto Street  
Toronto, Ontario M5C 2B8

**Re:     Boxx Insurance Inc.**  
**December 31, 2021 Year End**

Dear Vishal:

As you are aware, the time for preparing your year-end financial statements is fast approaching.

In connection with our compilation of the company's financial statements, please find enclosed a copy of the year end checklist of information we will require in order to properly perform this service.

In addition, enclosed is an engagement letter for you to sign in the indicated areas. The letter includes important information with respect to our responsibilities, management's responsibilities, and liability. Please read the letter and contact us to discuss any questions or comments you may have. Once it is signed, please return all pages, including the terms and conditions, to our office via email at [eric.walker@bakertilly.ca](mailto:eric.walker@bakertilly.ca) or fax it to (416) 368-0886.

Please note, if there are corporate taxes owing for the year ended December 31, 2021, the income tax return should be transmitted on or before June 30, 2022. Payment of any balance owing must be received by the Canada Revenue Agency by March 31, 2022. In order to avoid any interest charges or late penalty fees, please provide us with the information as soon as possible in order to meet the above stated deadlines.

If you have any questions, please do not hesitate to call me at (416) 313-2980.

Yours truly,

Eric Walker, CPA, CA, CBV, CF, MBA, CFE  
Incorporated Partner  
Baker Tilly WM LLP  
Chartered Professional Accountants

Enclosure

ASSURANCE • TAX • ADVISORY

*Baker Tilly WM LLP trading as [trading name] is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.*



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January 19, 2022

**PRIVATE AND CONFIDENTIAL**

Vishal Kundi  
CEO  
Boxx Insurance Inc.  
420 - 20 Toronto Street  
Toronto, Ontario M5C 2B8

**Attention: Vishal Kundi, CEO**

**Re: Compilation Engagement**

Dear Vishal:

The purpose of this letter is to confirm our understanding of the terms of our engagement and the nature of the services we will perform for Boxx Insurance Inc. ("the Company") for the year ending December 31, 2021. This letter replaces our previous letter to Boxx Insurance Inc. on this matter dated December 24, 2020.

*This engagement letter also sets out our respective obligations, the limitations upon our liability, and other terms pursuant to which Baker Tilly WM LLP is pleased to accept this engagement. If the terms and conditions proposed for this engagement meet with your approval, please execute the last page of this letter enclosed and return the signed copy to us.*

We will:

- compile the Company's balance sheets as at December 31, 2021, the statement of earnings and retained earnings for the year then ended and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information; and
- prepare the T2 Corporation Income Tax Return.

As agreed, we will perform the compilation engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. We have not been engaged to provide assurance about the financial information and we will not audit, review or otherwise attempt to verify the accuracy or completeness of any information provided to us. Accordingly, we will not express an audit opinion or a review conclusion, or provide any form of assurance on the compiled financial information.

Responsibility for the accuracy and completeness of the representations in the financial information remains with the Company's management.

The potential uses for the compiled financial information of Boxx Insurance Inc. have been communicated to us at client acceptance or otherwise at the commencement of the engagement. You

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confirm that third parties, where any, are in a position to request and obtain further information from the entity, or where this is not the case, have obtained agreement upon the basis of accounting to be used. In accepting this engagement, Baker Tilly WM LLP is expressly not assuming any legal duty to, or legal relationship with, any party other than Boxx Insurance Inc. and makes no representations, whatsoever, respecting the compiled financial information of Boxx Insurance Inc. to any party with whom we have not entered into a written contract.

Unless unanticipated difficulties are encountered, our communication will be in the following form:

### **COMPILATION ENGAGEMENT REPORT**

To Management of Boxx Insurance Inc.

On the basis of information provided by management, we have compiled the balance sheets of Boxx Insurance Inc. as at December 31, 2021, the statement of earnings and retained earnings for the year then ended and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

**CHARTERED PROFESSIONAL ACCOUNTANTS  
LICENSED PUBLIC ACCOUNTANTS**

Toronto, Ontario  
Date

This financial information was compiled for Boxx Insurance Inc.. We make no representations of any kind to any other person in respect of this financial information and accept no responsibility for use by any other person.

While we are not required to be independent when conducting this engagement, in situations where we are not independent we will need to disclose the nature and extent of the matters which impair our independence in the Compilation Engagement Report.

It is agreed that you will attach our Compilation Engagement Report when distributing the financial information to third parties.

Our services will not result in the expression of an audit opinion or any other form of assurance on the financial information, nor the fulfillment of any statutory or other audit requirements. Since we are accepting this engagement as accountants, not as auditors, we request that you do not record this as an audit engagement in the minutes of your shareholders' meetings. You may wish to obtain legal advice concerning statutory or contractual audit requirements.

The financial information that we compile may not be prepared in accordance with Canadian generally accepted accounting principles and may not satisfy statutory or contractual requirements in this area. You may wish to obtain legal advice concerning such requirements.

This engagement cannot be relied upon to prevent or detect error and fraud and other irregularities. We wish to emphasize that responsibility for the prevention and detection of error and fraud and other irregularities must remain with management. In addition, we have no responsibility to identify and communicate significant deficiencies in your internal controls.

### **Your Acknowledgements**

The undersigned, being management or, otherwise, those charged with the governance of Boxx Insurance Inc. acknowledge and represent that:

1. A compilation engagement is appropriate for the intended use that has been communicated to us.
2. A compilation engagement will not fulfill the entity's legal, regulatory or contractual provisions, if any, for an audit engagement or a review engagement.
3. The compiled financial information should not be used by third parties other than those who are in a position to request or obtain further information from you, or have agreed with you the basis of accounting to be applied in the preparation of the compiled financial information.
4. Any third party that intends to use the compiled financial information is in a position to request and obtain further information from you.
5. You specifically acknowledge that you are responsible for:
  - a. The compiled financial information including the accuracy and completeness thereof;
  - b. Selecting the basis of accounting to be applied in the preparation of the compiled financial information that is appropriate for the intended use;
  - c. Cooperating in providing us accurate and complete information necessary to compile the financial information;
  - d. Attaching the compilation engagement report when distributing or reproducing the compiled financial information.
6. We are relying on these representations in agreeing to undertake this engagement.

### **Limitation of Liability**

*This section contains the limitations upon any liability that may be imposed in law upon Baker Tilly WM LLP arising from any and all professional services provided by Baker Tilly WM LLP to Boxx Insurance Inc., including any professional services in addition to those services specifically identified in this engagement letter.*

You expressly agree that any and all actions, causes of action, contracts, demands or claims, whether in contract, negligence, or otherwise known to law, which you may have arising out of the services provided to you by Baker Tilly WM LLP (hereinafter referred to as "claims" or "claim") shall be limited in the aggregate to the amount of twenty-five thousand dollars (\$25,000). *If this limit of liability is insufficient for*

January 19, 2022  
Boxx Insurance Inc.  
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*your purposes, we would be pleased to discuss with you a different limit that may result in our charging a higher fee.*

We will use all reasonable efforts to complete the engagement as described in this letter within the agreed-upon time frames. However, we shall not be liable for any loss or damages owing to failures or delays in our performance and completion of this engagement that arise from causes beyond our control, including the untimely performance by your company of its obligations.

You expressly agree that you will not bring any proceedings in any court of any jurisdiction advancing any claim against our individual professional staff and employees. You further expressly agree that you will not bring any proceedings in any court of any jurisdiction advancing a claim against a particular partner.

You expressly agree that you will not assert a claim against Baker Tilly WM LLP unless you have concurrently or previously asserted a claim against all other persons who might reasonably be liable in relation to that claim.

You expressly agree that any liability our firm may have to you shall not be joint and several with any other party, but shall be several, and limited to the percentage or degree of our fault in proportion to the fault or wrongdoing of all persons who contributed to the loss arising from the claim, including and without limitation, any fault on the part of management or those charged with governance of Boxx Insurance Inc.

You expressly agree that any and all claims, whether in contract, negligence, or otherwise known to law or equity, arising out of our professional services under this engagement letter vest exclusively in Boxx Insurance Inc. and you agree to wholly indemnify and hold harmless our Firm and its professional staff from any and all claims that may be brought against our Firm or its professionals by any shareholders, director or officer of Boxx Insurance Inc. in any way arising out of or connected to our services provided to you.

Baker Tilly WM LLP's liability for any and all claims you may have or bring in connection with the professional services rendered, whether arising out of or ancillary to this agreement or in addition thereto, whether such claims are in contract, negligence or otherwise known to law or equity, our potential liability shall absolutely cease to exist, if such liability has not already ceased (for example by operation of an applicable limitation act), after a period of four years from the date of:

- (a) completion of the engagement or any other specific professional services requested by you;
- (b) delivery to you of our report, your financial information, or the completion of the preparation of any tax filing with any government authority;
- (c) suspension or abandonment of the engagement; or
- (d) termination of Baker Tilly WM LLP's services pursuant to this agreement,

whichever shall occur first, regardless of whether you were aware of the potential for making a claim against Baker Tilly WM LLP within that period. Following the expiration of the aforesaid period, you agree that shall you make any claim against Baker Tilly WM LLP, Baker Tilly WM LLP shall have no liability to you, and you agree that you will not, nor will your agents, successors, or assigns, bring any proceedings of any kind known to law against Baker Tilly WM LLP.

Notwithstanding that we are providing services only to Boxx Insurance Inc. and that we expressly deny that obligations are owed to any third parties, if a court of competent jurisdiction determines that any

obligations are owed by us to any third parties (including, but not limited to, your agents, beneficiaries, and so-called “disappointed beneficiaries”), such third parties do not have any greater rights than you do under this agreement and, among other things, these limitations of liability shall apply to them.

You expressly agree that these foregoing terms concerning limitations of liability are material terms of this engagement letter and you expressly acknowledge that, absent these provisions, Baker Tilly WM LLP would not agree to undertake this engagement on the terms reflected in this engagement letter.

### **Right to Terminate**

Either party may terminate under this agreement, with or without cause, by providing written notice to the other party. In the event of early termination, for whatever reason, the Company will be invoiced for time and expenses incurred up to the end of the notice period together with reasonable time and expenses incurred to bring the engagement to a close in a prompt and orderly manner. Baker Tilly WM LLP shall also have the right, upon 7 days prior notice, to suspend performance of the services described in the agreement in the event the Company fails to pay any amount required to be paid under this agreement.

If we are unable to complete this engagement, we may withdraw from the engagement without completing the services described above. If this occurs, we will communicate the reasons and provide you with details.

In the event that we resign from this engagement in compliance or in accordance with our Code of Professional Conduct, we will not be responsible for any loss, costs, expenses or damages resulting from such occurrences, and we are specifically entitled to collect our fees for services provided to the date of ceasing to act.

### **Alliance of Independent Firms**

We are a member of the Baker Tilly Canada Cooperative, an association of independently owned and operated accounting firms in Canada some of which practice under a common name and that sponsor a number of programs to enhance the ability of the members to be of service to their respective clients nationally and internationally. The national association is not an accounting firm and our practice is not integrated with that of any of the other members. Each firm is a member of the Baker Tilly Canada Cooperative. Baker Tilly is a registered trademark of an affiliate of Baker Tilly International Limited and licensed to the Baker Tilly Canada Cooperative. We at Baker Tilly WM LLP are solely responsible for the professional engagement covered by this letter.

Baker Tilly WM LLP is an independent member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. Baker Tilly and Baker Tilly International refer to the global network of member firms of Baker Tilly International Limited, each of which is a separate and independent legal entity. Baker Tilly International, a UK company limited by guarantee, does not provide services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly WM LLP is not Baker Tilly International's agent and does not have authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly Canada Cooperative, Baker Tilly WM LLP, nor any of the other independent member firms of Baker Tilly International has any liability for each other's acts or omissions. In addition, neither Baker Tilly International nor any other member firm has a right to exercise management control over any other member firm.

### **Other Terms of Engagement**

You will be relied upon to provide the information required to prepare the Company's income tax returns, and to review the income tax returns carefully once we have completed them. You will provide all

requested information necessary to complete tax return in acceptable format and in a timely manner. We will not audit, review, or otherwise verify the accuracy of this information. While we will review the completed tax filings with you, it is your responsibility to ensure the accuracy and completeness of the information therein. It is your responsibility to properly record and, where applicable, retain supporting documentation for all transactions. As the taxpayer, it is your ultimate responsibility to ensure that any required tax filings are filed, and that they are filed on time. This engagement does not include any procedures designed or intended to discover misrepresentations or illegal acts and we have no responsibility to do so. We will not be responsible for (i) any penalties, additional taxes or interest that could arise from inaccurate, late or underpaid tax returns or (ii) the disallowance of any deductions, exemptions or exclusions or the taxation of any unreported income, or any resulting taxes, interest or penalties.

Any advice contained in the income tax filings will reflect our professional judgment. Our judgment, however, is not binding on any taxation authority or court. You understand that the result of any tax assistance may be audited by Canadian or any other taxation authorities who may not agree with our judgment. Consequently, we do not represent, warrant or guarantee that our advice will not be successfully challenged by taxation authorities and we cannot be responsible for interest and penalties assessed against you in connection with your income tax affairs.

You agree to hold harmless and indemnify us from any penalty or costs arising pursuant to Section 163.2 of the *Income Tax Act* as a consequence of false or otherwise incorrect information supplied by you or your agents to us for the purpose of providing any taxation services to you, including but not limited to tax planning or the preparation and filing of income tax returns on your behalf.

It should be noted that our accounting work in the area of GST/HST and other commodity taxes is limited to compiling the financial information and accordingly, we may not detect situations where you are incorrectly collecting GST/HST or incorrectly claiming input tax credits. As you are aware, failure to properly account for GST/HST could result in Boxx Insurance Inc. becoming liable for tax, interest or penalties. These situations may also arise for provincial sales taxes, custom duties and excise taxes.

The foregoing comments deal only with our compilation engagement, which includes general tax advice provided throughout the year.

In addition to the professional services referred to above, we are always prepared to broaden at your request our procedures, or provide additional professional services where feasible. All other professional services ancillary to, or arising from this engagement, or in addition thereto, are also subject to the same terms and conditions set out in this engagement letter including, but without limitation, the limitations of liability set out in this agreement unless covered under a separate engagement letter.

The Proceeds of Crime (Money Laundering) and Terrorist Financing Act (the "Act") places legal requirements on Baker Tilly WM LLP to report transactions that may be suspicious of being related to a money laundering or terrorist financing offence. It also requires our firm to report (i) large cash transactions (receipts by us of cash in excess of \$10,000); (ii) transactions or attempted transactions with us that we have reasonable grounds to suspect are related to the commission or attempted commission of a money laundering offence or a terrorist activity financing offence and (iii) instances where we are in possession or control of property that is considered terrorist property. In addition, the Act requires our firm to maintain certain records and retain certain documentation, including records and documentation that support the foregoing reportable items. Finally, the Act requires our firm to ascertain the identity and existence of clients and other entities.

To meet these obligations, Baker Tilly WM LLP may have to report information about the Company that might otherwise be confidential. The reporting of this information may place the Company and this firm in a conflict of interest. Should such a conflict arise this firm may be required to withdraw from this



January 19, 2022  
Boxx Insurance Inc.  
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engagement. Please be advised that we will do everything in our power to avoid such conflicts and that only information that is required will be disclosed. You hereby acknowledge this legal requirement placed upon this firm and the potential conflict of interest that may arise as a result of it. You also hereby authorize this firm to release and disclose information related to the Company when required by statute to do so.

Fees will be determined on the basis of time spent on this engagement. Disbursements, our administrative charge (currently 3.5%), and the appropriate GST/HST will be added to the billing. Fees may be invoiced as interim billings as work progresses. Fees may also be invoiced prior to the commencement of work. Payments are due upon receipt of our invoices. Interest at 1% per month, or 12.68% per annum will be charged on overdue accounts. We reserve the right to suspend our services or to withdraw from this engagement in the event that any of our invoices are deemed by us, in our sole discretion, to be delinquent.

We have attached a copy of our "Included Terms and Conditions". These terms and conditions shall form an integral part of this engagement letter and shall govern our respective rights and obligations arising therefrom.

We appreciate this opportunity to be of continuing service. The terms of this agreement shall continue in force from year to year for any services that we provide unless this engagement letter is amended by mutual agreement or superseded by a subsequent written agreement.

Yours very truly,

*Baker Tilly WM LLP*

Per: E. Walker Professional Corporation, Incorporated Partner  
Baker Tilly WM LLP  
Chartered Professional Accountants

Enclosure

The arrangements described in the foregoing letter are in accordance with our requirements. We agree and accept the terms of your engagement as set out in this letter and the Included Terms and Conditions.

**BOXX INSURANCE INC.**

Per: \_\_\_\_\_ CEO  
Vishal Kundi

PLEASE SIGN  
& RETURN



**Baker Tilly WM LLP  
Included Terms and Conditions**

Except as otherwise specifically provided in the engagement letter or contract between Baker Tilly WM LLP ("Baker Tilly WM" or the "Firm") and Boxx Insurance Inc. (the "Client") into which these Included Terms and Conditions are incorporated (collectively the "Agreement"), these terms and conditions shall apply to the engagement carried out by Baker Tilly WM. For the purposes of the Agreement, the term Baker Tilly WM includes Baker Tilly WM and its partners, directors, officers, employees and subcontractors.

1. **LLP Status.** Baker Tilly WM is a registered Limited Liability Partnership ("LLP") established under the laws of the Province of British Columbia and, where applicable, has been registered extra-provincially under provincial legislation. Baker Tilly WM is a partnership, but its partners have limited liability. Individual partners are only personally liable for losses arising from the partner's own negligent or wrongful acts, or if the partner was aware of another partner or employees' error or omission and did not take the actions that a reasonable person would take to prevent it.
2. **Confidentiality.** Baker Tilly WM will maintain the strictest confidence with respect to any Client's or former Client's information. Accordingly, your confidential information will not, without your consent, be disclosed to anyone not employed or engaged by the Firm for the purpose of performing services hereunder, except as required by law or in accordance with the profession's Code of Professional Conduct.
3. **Working Papers.** The working papers, files, other materials, reports and work created, developed or performed by us during the course of the engagement are the property of Baker Tilly WM, constitute confidential information and will be retained by us in accordance with our Firm's policies and procedures. Baker Tilly WM shall be entitled to share all information provided by the Client with all other independent member firms of Baker Tilly International performing services hereunder.
4. **Use of Information.** It is acknowledged that Baker Tilly WM will have access to all personal information in your custody that we require to complete our engagement. Our services are provided on the basis that you represent to us that management has obtained any required consents for collection, use and disclosure to us of personal information required under applicable privacy legislation.
5. **Draft Reports.** The Client may not rely on any draft Report or draft document provided to the Client. Baker Tilly WM shall not be required to update any final Report for circumstances of which we become aware, or events occurring, after its delivery, unless otherwise required by our professional standards or Code of Professional Conduct Obligations.
6. **Indemnity.** The Client further agrees to indemnify, defend (by counsel retained and instructed by us), and hold harmless Baker Tilly WM and its professional staff, from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of the breach by Client, or its directors, officers, agents or employees, of any of the covenants made by the Client herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, our engagement report or the financial statements or financial information in reference to which the engagement report is issued, or any other work product made available to you by Baker Tilly WM and / or a misrepresentation by a member of your management or by a person charged with governance.



**Baker Tilly WM LLP  
Included Terms and Conditions**

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7. **Practice and Regulatory Inspections.** In accordance with professional regulations and by Firm policy, the Client's files may periodically be reviewed by practice inspectors and by other Firm personnel to ensure that we are adhering to professional and Firm standards. File reviewers are required to maintain confidentiality of the Client's information.

The Client on its own behalf hereby acknowledges and agrees to cause its subsidiaries and its affiliates to hereby acknowledge that Baker Tilly WM may from time to time receive requests or orders from the Canadian Public Accountability Board or from professional, securities or other regulatory, judicial or governmental authorities (both in Canada and abroad) to provide them with information and copies of documents in Baker Tilly WM's files including working papers and other work product relating to the affairs of the Client, its subsidiaries and affiliates. Except where prohibited by law, if a request or order is directly related to an inspection or investigation of Baker Tilly WM's work for the Client, Baker Tilly WM will advise the Client of the request or order. The Client hereby acknowledges that Baker Tilly WM will provide these documents and information without further reference to, or authority from, the Client, its subsidiaries and affiliates.

When such an authority requests access to Baker Tilly WM's working papers and other work-product relating to the Client's affairs, Baker Tilly WM will, on a reasonable efforts basis, refuse access to any document over which the Client has expressly informed Baker Tilly WM at the time of delivery that the Client asserts privilege, except where disclosure of documents is required by law. The Client must mark any document over which it asserts privilege as "privileged". If and only if the authority requires such access to privileged documents pursuant to the laws of a jurisdiction in which express consent is required for such disclosure, then the Client hereby provides its consent. Where privileged Client documents are disclosed, Baker Tilly WM is directed to advise the authority that the Client is permitting disclosure only to the extent required by law and for the limited purpose of the authority's exercise of statutory authority. Baker Tilly WM is directed to advise the authority that the Client does not intend to waive privilege for any other purpose and that the Client expects its documents to be held by the authority as privileged and confidential material (held securely, limited distribution, etc.). For greater certainty, the Client and Baker Tilly WM hereby agree that this acknowledgement (and, if required, consent) does not negate or constitute a waiver of privilege for any purpose and the Client expressly relies upon the privilege protections afforded under statute and otherwise under law. The Client agrees to reimburse Baker Tilly WM, upon request, at standard billing rates for Baker Tilly WM's professional time and expenses, including reasonable legal fees, incurred in dealing with the matters described above.

8. **Costs of Responding to Government or Legal Processes.** In the event we are required to respond to a subpoena, application to court, court order, government agency, or other legal processes for the production of documents and / or testimony relative to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our normal hourly rates for the time we expend in connection with such response, and to fully reimburse us for all of our out-of-pocket expenses incurred, including all legal services we are reasonably required to retain, as well as all applicable taxes.
9. **Offers of Employment.** In order to allow issues of independence to be addressed, management agrees that prior to extending an offer of employment to any Baker Tilly WM partner, employee or contractor, the matter is communicated to the engagement partner.



**Baker Tilly WM LLP  
Included Terms and Conditions**

Except as otherwise specifically provided in the engagement letter or contract between Baker Tilly WM LLP ("Baker Tilly WM" or the "Firm") and Boxx Insurance Inc. (the "Client") into which these Included Terms and Conditions are incorporated (collectively the "Agreement"), these terms and conditions shall apply to the engagement carried out by Baker Tilly WM. For the purposes of the Agreement, the term Baker Tilly WM includes Baker Tilly WM and its partners, directors, officers, employees and subcontractors.

10. **Conflicts of Interest.** We provide a wide range of services for a large number of clients and may be in a position where we are providing services to clients whose interests may conflict with your own. We cannot be certain that we will identify all such situations that exist or may develop and it is difficult for us to anticipate all situations that you might perceive to be in conflict. We therefore request that you notify us promptly of any potential conflict affecting this contract of which you are, or become, aware. Where the above circumstances are identified by us or you and we believe that your interests can be properly safeguarded by the implementation of appropriate procedures, we will discuss and agree with you the arrangements that we will put in place to preserve confidentiality and to ensure that the advice and opinions which you receive from us are wholly independent of the advice and opinions that we provide to other clients. Just as we will not use information confidential to you for the advantage of a third party, we will not use confidential information obtained from any other party for your advantage.
11. **Internet Communications.** Unless there is a written agreement with the Client to the contrary, Baker Tilly WM may correspond by means of the Internet or other electronic media.

Because of the inherent risks associated with the electronic transmission of information on the Internet or otherwise, Baker Tilly WM does not guarantee the security and integrity of any electronic communications sent or received in relation to this engagement nor does Baker Tilly WM guarantee that transmissions will be free from interception or infection by a virus or any form of "malware", "spyware", "ransomware", "worms", or any similar such thing, including software or code.

We specifically disclaim, and you release us from, any liability or responsibility related to interception of communications, unintentional disclosure of communications, viruses or 'malware', or any other similar form of data breach, in connection with the performance of this engagement and you agree that we shall have no liability for loss or damage to any person or entity, including any losses or damages that are consequential, incidental, direct, indirect, punitive, exemplary or special, without limitation and including:

- (a) losses of data, revenues or anticipated profits;
- (b) losses flowing from the impersonation of an identity; or,
- (c) losses relating to payment of a 'ransom' to release data.

It is our Firm policy to use certain file sharing services we have designated, including the Huddle Cloud Collaboration Portal, as being designated services for the purposes of file sharing. Where the Client authorizes and / or requests Baker Tilly WM (either in writing or verbally) to use any file sharing service other than those designated by Baker Tilly WM to download, upload, amend, or otherwise access in any manner the Client's information stored and / or located on such file sharing services, the Client acknowledges that this may lead to a loss or unintended exposure of their confidential information to unintended audiences. The Client expressly accepts that any such exposure and / or release of confidential information as a result of using such services will not be the responsibility of Baker Tilly WM and the Client will indemnify Baker Tilly WM for any losses incurred by the Client as a result of loss or exposure of their information arising from the use of such file sharing services.



**Baker Tilly WM LLP  
Included Terms and Conditions**

Except as otherwise specifically provided in the engagement letter or contract between Baker Tilly WM LLP ("Baker Tilly WM" or the "Firm") and Boxx Insurance Inc. (the "Client") into which these Included Terms and Conditions are incorporated (collectively the "Agreement"), these terms and conditions shall apply to the engagement carried out by Baker Tilly WM. For the purposes of the Agreement, the term Baker Tilly WM includes Baker Tilly WM and its partners, directors, officers, employees and subcontractors.

12. **Governing Legislation.** This Agreement is subject to and governed by the laws of the Province of Ontario. The courts of the Province of Ontario will have exclusive jurisdiction in relation to any claim, dispute or difference concerning this Agreement and any matter arising from it. The Client and Baker Tilly WM irrevocably waive any right either may have to object to any action being brought in those courts, to claim that the action has been brought in an inappropriate or inconvenient forum, or to claim that those courts do not have jurisdiction.
13. **Miscellaneous.** Baker Tilly WM shall provide all services as an independent contractor and nothing shall be construed to create a partnership, joint venture or other relationship between Baker Tilly WM and the Client. Neither party shall have the right, power or authority to obligate or bind the other in any manner. This Agreement shall not be modified except by written agreement between the parties. The Agreement represents the entire and sole agreement between the parties. Any terms and provisions of this Agreement that by their nature operate beyond the term or expiry of this Agreement shall survive the termination or expiry of this Agreement.
14. **Internal Bonuses.** We encourage the members of our firm to bring in new clients to Baker Tilly WM. The Client agrees and consents to Baker Tilly WM compensating our members for introducing you the Client to our firm, based upon a percentage of what Baker Tilly WM invoices to you.
15. **Baker Tilly International.** Baker Tilly WM is an independent member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. Baker Tilly and Baker Tilly International refer to the global network of member firms of Baker Tilly International Limited, each of which is a separate and independent legal entity. Baker Tilly International, a UK company limited by guarantee, does not provide services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly WM is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly Canada Cooperative, Baker Tilly WM, or any of the other independent member firms of Baker Tilly International has any liability for each other's acts or omissions. In addition, neither Baker Tilly International nor any other member firm has a right to exercise management control over any other member firm. We may employ the assistance of our Baker Tilly International network independent member firms to work on our behalf in providing our services to you. The Client agrees that any claims that may arise out of this engagement will be brought solely against Baker Tilly WM, the contracting party, and not against any other independent member firms of the Baker Tilly International network participating in this engagement.
16. **Severability.** In the event that any provision of this Agreement shall be held to be invalid, void or unenforceable, then the remainder of the Agreement shall not be affected, impaired or invalidated, and each such provision shall be valid and enforceable to the fullest extent permitted by law.



**Baker Tilly WM LLP**  
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**www.bakertilly.ca**

January 19, 2022

Boxx Insurance Inc.  
420 - 20 Toronto Street  
Toronto, Ontario M5C 2B8

Dear Vishal:

**Re: Year End Requirements**

Once again, it is time to prepare the year end financial statements for Boxx Insurance Inc.

To assist us in the preparation of this year's compilation and to enable us to proceed as efficiently as possible, we have prepared the following list of items and schedules that we would like to receive. To maximize efficiency, please provide documents in electronic formats where possible.

## **BALANCE SHEET ITEMS**

### **GENERAL:**

- Trial balance as at December 31, 2021;
- General ledger for the year ended December 31, 2021;
- Ensure that prior year's Baker Tilly Adjusting Entries have been posted and the opening Deficit for current fiscal year agrees to prior year's Ending Balance, which should be \$3,416,225
- Any amendments to the Articles of Incorporation;
- Share Structure:
  - Details of any changes in share capital during the fiscal year;
  - Details of any dividends declared and/or paid during the fiscal year.

### **CASH:**

- Details of any new lending arrangements during the year;
- Details of any new banks with which the company is dealing;
- A copy of general and trust bank statement(s) as of December 31, 2021; and
- Reconciliations of all general and trust bank accounts as at December 31, 2021 with a detailed listing of all reconciled items.

ASSURANCE • TAX • ADVISORY

*Baker Tilly WM LLP is a member of Baker Tilly Canada Cooperative, which is a member of the global network of Baker Tilly International Limited. All members of Baker Tilly Canada Cooperative and Baker Tilly International Limited are separate and independent legal entities.*

**PROPERTY AND EQUIPMENT:**

- Schedule of additions to each property and equipment account (i.e. furniture and fixtures, computers, automobiles, equipment, etc.) that took place during the year; and
- Details of any assets disposed of or written down during the year.

**PAYABLES AND ACCRUALS:**

- An insurers payable listing as at December 31, 2021 reconciled to the general ledger; and
- A detailed listing of all accrued liabilities at December 31, 2021.

**TAX:****Corporate Income Taxes:**

- A copy of all assessments, reassessments and correspondence received during the fiscal year from the federal and provincial governments with regard to corporate income taxes;
- A schedule detailing all payments made during the fiscal year on federal and provincial corporate taxes; and
- A copy of the GST/HST tax return for the period ending December 31, 2021.

**RELATED PARTY TRANSACTIONS:**

- Details of all related party transactions made during the year (including the nature of the transactions and the total values of these transactions);
- Detailed listings of any transactions entered into with directors and/or employees during the year. The transactions should include any sales, purchases, management fees, loans or transfers. Any balances outstanding at the year end should be reconciled to the general ledger control accounts; and
- A detailed listing of any transactions entered into with shareholder(s) during the fiscal year. The transactions should include any sales, purchases, management fees, loans or transfers. Any balances outstanding at the fiscal year end should be reconciled to the general ledger control accounts;.

**REVENUE AND EXPENSES**

**(for the year from January 1, 2021 to December 31, 2021)**

- A listing of all revenue and expenses denominated in foreign currency, if applicable;
- Analysis/Details of;
  - Advertising and promotion;
  - Automobile expenses;
  - Golf club dues;
  - Interest and penalties paid;
  - Legal and accounting;
  - Meals and entertainment expenses;

January 19, 2022  
Boxx Insurance Inc.  
Page 3

- Office;
- Profit sharing; and
- Miscellaneous.

Please feel free to also provide any information which is not listed above which you feel is relevant to the completion of the compilation. Although we have attempted to make this list as complete as possible, items may arise which we were not aware of which may require additional information. We will contact you for that information at the time of doing the year end work.

Thank you for your attention to these matters. If you have any questions with respect to the above, please do not hesitate to contact our office.

Yours very truly,



Eric Walker, CPA, CA, CBV, CF, MBA, CFE  
Incorporated Partner  
Baker Tilly WM LLP  
Chartered Professional Accountants

Enclosure