

SCHEER & RUBINSTEIN, CPA's, LLP
CERTIFIED PUBLIC ACCOUNTANTS

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November 14, 2011

Ms. Peggy Siegal
Peggy Siegal Inc.
[REDACTED]

Dear Ms. Siegal:

We are pleased to confirm and specify the terms of our engagement of the services we are to provide for Peggy Siegal Inc. for the nine months ended September 30, 2011.

Our engagement will be designed to perform the following services:

1. We will compile, from information you provide, the statements of income and expenses and supplementary information for the nine months ended September 30, 2011, and issue an accountant's report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

The objective of a compilation is to assist you in presenting financial information in the form of financial statements. We will utilize information that is your representation without undertaking to obtain any assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with accounting principles generally accepted in the United States of America.

You are responsible for:

- a. the financial statements and the selection and application of the accounting policies.
- b. establishing and maintaining effective internal control over financial reporting.
- c. designing and implementing programs and controls to prevent and detect fraud.
- d. identifying and ensuring that the entity complies with the laws and regulations applicable to its activities.
- e. making all financial records and related information available to us.

We are responsible for conducting the engagement in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation differs significantly from a review or an audit of financial statements. A compilation does not contemplate performing inquiry, analytical procedures, or other procedures performed in a review. Additionally, a compilation does not contemplate obtaining an understanding of the entity's internal control; assessing fraud risk; tests of accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, the examination of source documents, or other procedures ordinarily performed in an audit. Accordingly, we will not express an opinion or any other conclusion regarding the financial statements being compiled.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts. However, we will inform the appropriate level of management of any material errors, and of any evidence or information that comes to our attention during the performance of our compilation procedures that fraud may have occurred. In addition, we will report to you any evidence or information that comes to our attention during the performance of our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential.

If for any reason, we are unable to complete the financial statements, we will not issue a report on such statements as a result of this engagement.

Our fees for these services will be based upon the amount of time required at our standard billing rates of \$135 to \$250 per hour, depending upon the level of personnel working on the engagement, plus out-of-pocket expenses. All invoices are due and payable upon presentation. Our engagement ends on delivery of the financial statements.

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 sign the enclosed copy and return it to us.

Very truly yours,



Michael D. Rubinstein, CPA

RESPONSE:

This letter correctly sets forth the understanding of Peggy Siegal Inc.

Authorized signature: _____

Date: _____