

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

RE: Disclaimer of Opinion - Pending Legal Litigation

To the Board of Directors and Management of [Company Name],

We were engaged to audit the financial statements of [Company Name] as of [Fiscal Year End Date].

As discussed in Note [X] to the financial statements, the company is currently a defendant in a lawsuit regarding [Brief Description of Lawsuit]. The ultimate outcome of this litigation cannot presently be determined. Management has not recorded a liability in the financial statements because the probability of loss and the amount of potential damages are currently unknown.

Due to the uncertainty regarding the outcome of the matter described in the preceding paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial position, results of operations, or cash flows of the company.

Accordingly, we do not express an opinion on these financial statements.

Sincerely,

[Auditor Signature]

[Auditor Name/Firm]

[License Number]