



Mellen Financial Services
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Re: proposal letter to offer accounting, finance and tax services

Our Story

Mellen Financial Services opened its doors in March of 2021 during the Covid-19 pandemic. The global crisis helped instill to us how vital small and medium-sized enterprises are to our local and regional economies. As entrepreneurs ourselves we understand the importance of strategic financial planning. That's where we come in! We are here to help you grow your business and reach your full potential through our premier accounting, finance and tax services.

Who We Are

Mellen Financial Services is a boutique accounting firm specializing in financial and valuation analysis. We provide accounting, advisory, business valuation, corporate finance and taxation services to individuals, families, small to medium-sized enterprises, professional practices and government institutions. Our technical financial analysis and modeling skills are valuable to boards of directors, capital management firms, entrepreneurs, family offices, investment banks, law firms, management teams, private equity firms, seed/angel investors, venture capital firms, wealth management firms and many more.

Our Vision

Our core mandate is to provide exceptional professional services that are individually tailored and customized to your corporate and business strategies in addition to identifying and prioritizing your strategic financial goals. Our vision is to help identify and exploit strengths and opportunities through creativity, loyalty and trust while targeting growth strategies and developing valued relationships between people, businesses and communities.

What We Offer

- Accounting and bookkeeping services
- Valuation services
- Tax services, including activities such as
 - Tax return preparation
 - Tax calculations for the purpose of preparing the accounting entries
 - Tax planning and other tax advisory services
 - Tax services involving valuations
 - Assistance in the resolution of tax disputes
- Litigation support services
- Corporate finance services



Why Us

Locally Owned and Operated

Mellen Financial Services is independently owned and operated right here in the heart of Cape Breton, Nova Scotia. We value relationship building and getting to know our clients' and what drives them. We enjoy learning about best practices and new technologies so please feel free to reach out to us for a conversation.

Continuous Professional Development

As members of the Chartered Professional Accountants of Canada, the Canadian Institute of Chartered Business Valuators and the Corporate Finance Institute our members are required to maintain continuous professional development and uphold and adhere to strict codes of professional conduct and ethics.

Financial Modeling and Valuation Analysis

Our members are presently pursuing the Financial Modeling and Valuation Analyst (FMVA) designation through the Corporate Finance Institute (CFI) where they have taken advanced technical courses in business valuation modeling, leveraged buyout modeling (LBO), mergers and acquisitions modeling (M&A) and more.

We have included a brief description in the appendix of this letter on the various types of business valuation reports including, a description of other related engagements and reports. If we can be of any assistance to you, please don't hesitate to contact us at your earliest convenience. We look forward to hearing from you.

Yours Truly,



Roger Mellen Sr., MBA, BBA, DBAD, CPA, CMA, FMVA Candidate
Registered Student in CBV Institute Program of Studies

Appendix A - Business Valuations Reports:

In practice, the Valuator acts independently to provide one of three types of Valuation Reports to conclude as to the value of the shares, assets or an interest in a business. These reports are not only distinguished by the Valuator's scope of review and the amount of disclosure provided, but also by the level of assurance being provided in the conclusion, with a Comprehensive Valuation Report providing the highest assurance and the Calculation Valuation Report providing the lowest. The higher the assurance, the more work required and cost of the Valuation Report.

Comprehensive Valuation Report - a Comprehensive Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on a comprehensive review and analysis of the business, its industry and all other relevant factors, adequately corroborated and generally set out in a detailed Valuation Report.

Estimate Valuation Report - an Estimate Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on limited review, analysis and corroboration of relevant information, and generally set out in a less detailed Valuation Report.

Calculation Valuation Report - a Calculation Valuation Report contains a conclusion as to the value of shares, assets or an interest in a business that is based on minimal review and analysis and little or no corroboration of relevant information, and generally set out in a brief Valuation Report.

The Valuator works with the client to determine what is the appropriate type of Valuation Report based on the purpose of the valuation, the availability of information and the client's need for assurance. There is no stated regulation as to the amount of work to be completed as it is expected that the Valuator will use their professional judgement when selecting their assurance processes and procedures.

Appendix B – Other Types of Engagements and Reports:

Valuators may be retained as experts to provide their professional opinion as to the quantum of financial gain/loss or any conclusion of a financial nature in the context of litigation or a dispute. Such expert opinion is often requested in respect of claims arising from financial disputes such as corporate commercial matters, shareholder matters, securities litigation, personal injury matters, breach of contract, intellectual property infringement and income determination for family law purposes or other similar claims. In these circumstances, reports arising from such engagements are termed "*Expert Reports*".

Valuators may be retained as independent experts to provide comments on another report that contains a conclusion as to the value of shares, assets, or an interest in a business, or a conclusion as to the quantum of financial gain/loss, but where a conclusion is not provided by the reviewing Valuator. In these circumstances, reports arising from such engagements are termed "*Limited Critique Reports*".

Valuators may be retained as experts to provide advice to clients in situations where they are not engaged to render an independent Comprehensive Report, Estimate Report, Calculation Report of value, an Expert Report or a Limited Critique Report. In these circumstances, the Valuator/Expert is considered to be acting as an advisor to his/her client(s) and hence reports arising from such engagements are termed "*Advisory Reports*".

Valuators may be retained to provide a conclusion as to the fairness of a proposed transaction to security holders (or to a group of security holders), from a financial point of view. In these circumstances, written communications arising from such engagements are termed "*Fairness Opinions*".

Valuators may be retained to perform an independent review to assess whether or not the value of the specified shares, units, underlying investments or the net asset value of the Investment Entity, as determined by the manager of the Investment Entity or another party, is reasonable. In these circumstances, reports arising from such engagements are termed "*Investment Entity Review Reports*".