

Haywood County Utility District

C/O BROWNSVILLE ENERGY AUTHORITY - 25 NORTH LAFAYETTE - BROWNSVILLE, TN 38012 - PHONE 731-772-8845

October 13, 2025

Michael Banks
Banks Law Firm
108 S. Washington Ave
Brownsville, TN 28012

Our auditors, ATA, PC, 227 Oil Well Road, Jackson, TN 38305, are making an audit of our financial statements. Please furnish them the information requested below involving matters as to which you have been engaged and to which you have devoted substantive attention on behalf of the Haywood County Utility District in the form of legal consultation or representation.

Pending or Threatened Litigation (excluding unasserted claims and assessments)

Please furnish our auditors a description of all litigation, claims and assessments (excluding unasserted claims and assessments). The description of each case should include:

- (a) The nature of the litigation;
- (b) The progress of the case to date;
- (c) How management of the district is responding or intends to respond to the litigation; e.g., to contest the case vigorously or to seek out-of-court settlement; and
- (d) An evaluation of the likelihood of an unfavorable outcome and an estimate, if one can be made, of the amount or range of potential loss.

Unasserted Claims and Assessments

We have represented to our auditors that there are no unasserted possible claims or assessments that you have advised us are probable of assertion and must be disclosed in accordance with *Statement of Financial Accounting Standards No. 5* (excerpts of which can be found in the ABA's *Auditors Letter Handbook*).

We understand that whenever, in the course of performing legal services for us with respect to a matter recognized to involve an unasserted claim or assessment that may call for financial statement disclosure, you have formed a professional conclusion that we should disclose or consider disclosure concerning such possible claim or assessment, as a matter of professional responsibility to us, you will so advise us and will consult with us concerning the question of such disclosure and the applicable requirements of *Statement of Financial Accounting Standards No. 5*. Please specifically confirm to our auditors that our understanding is correct.

Response

Your response should include matters that existed as of June 30, 2025, and during the period from that date to the effective date of your response. Please specify the date of your response if it is other than the date of reply.

Please specifically identify the nature of, and reasons for, any limitation on your response.

You should send your response to bcagle@ata.net

Other Matters

Please also include the amount we were indebted to you for services and expenses on June 30, 2025.

Yours very truly,

Haywood County Utility District

By _____

