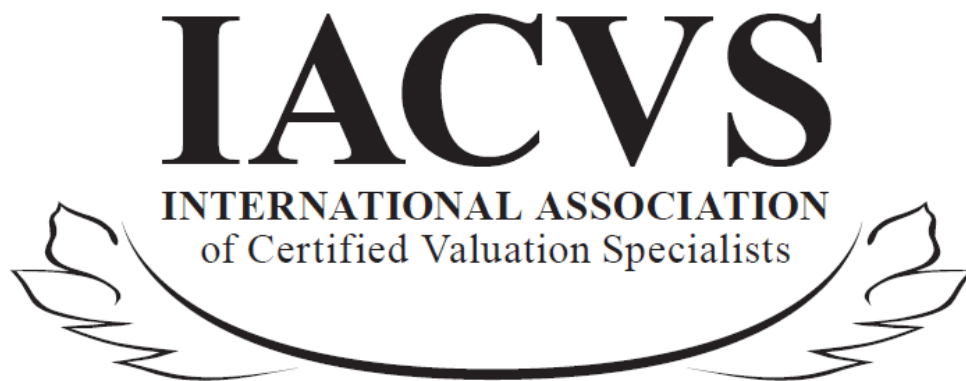


APPENDIX A

ENGAGEMENT CHECKLIST And Questionnaire



This page intentionally left blank.

ENGAGEMENT CHECKLIST

SCHEDULE OF REQUESTED DOCUMENTS

Financial Statements and Income Tax Returns:

1. Federal income tax returns for the last 5 years. Please also include information through _____
2. Annual financial statements for the last 5 years. Please also provide information through _____

Other Financial Data:

1. Accounts receivable aging report with payor detail, if available
2. List of inventory and description of accounting treatment (LIFO, FIFO, etc.).
3. Estimate of the number of days on hand of prepaids/office supplies as of date of valuation.
4. List of fixed assets. For each fixed asset the list should indicate the date of acquisition and the purchase amount.
5. Schedule of real estate investments, if any.
6. List of all subsidiaries and their annual financial statements for the last 5 years, if any.
7. List of all other businesses in which the Company has a financial investment and their annual financial statements for the last 5 years, if any.
8. Accounts payable aging report.
9. List of all notes payable. For each note please provide the name and address of the lender, the original amount of the note, the interest rate, the term of the note, any scheduled balloon payments, and any loan covenants.
10. List of all shareholders in the Company and the amount of shares owned by each shareholder.
11. If not shown in income statements, a breakdown of sales, by product or service, for each of the last 5 years.
12. If not shown in the income statements, a breakdown of cost of goods sold and operating expenses for each of the last 5 years.

13. A schedule showing, by Company officer, all direct compensation for the last 3 years.
14. A schedule showing, by Company officer, all payments made by the Company into a pension fund or retirement plan on behalf of the officer for the last 3 years.
15. A schedule showing, by Company officer, all payments made by the Company for health insurance on behalf of the officer for the last 3 years.
16. A schedule showing, by Company officer, all payments made by the Company for life insurance on behalf of the officer for the last 3 years.
17. Copies of any forecasts or projections made by the management of the Company or its consultants.
18. Copies of appraisal reports, if any, that opine to the value of assets owned by the Company or its subsidiaries.

Other Requested Data:

1. Copies of leases where the Company is either the lessee or the lessor.
2. Copies of buy/sell agreements involving ownership interests in the Company.
3. Copies of articles of incorporation, bylaws, and amendments
4. Copies of partnership agreements.
5. Details of any pending litigation involving the Company as either plaintiff or defendant.
6. Details of transactions involving purchase or sale of ownership interests in the Company.
7. Copy of all employment agreements, partnership agreements, shareholders agreements, buy/sell agreements, consulting agreements, management agreements, and income distribution plans in use.

PREMISE AND BUSINESS INSPECTION FACT SHEET

INSTRUCTION TO CLIENT - Please complete in as much detail as possible prior to the site visit.

Company Name _____

Valuator's Name(s) _____

Date of Inspection _____

1. Company's primary address:

2. Date of Company's inception

3. Type of entity (Corporation, partnership, other)

4. Province or State Company formed/organized

5. Company's primary SIC code number _____
Secondary SIC code number(s) _____

6. If corporation, number of shares authorized _____
Number outstanding _____

7. If corporation, number of shares of treasury stock, if any:

8. Describe other classes and/or types of stock, if any:

9. Briefly describe the history of the company from its inception to the date of valuation:

10. List all other locations where the Company performs business activities. Briefly describe the activity at each location.

Location

11. Describe the products or services provided by the Company.

12. Describe the Company’s competition in the marketplace. Include the names of competitors who provide a substitute for the Company’s product or service.

13. List five advantages and five disadvantages to Company’s products and/or services to those provided by its competitors.

14. List the Company’s primary customers and an estimate of the total revenues represented by each customer.

15. List the Company’s primary suppliers and the product or service they provide. Indicate whether or not suppliers can be easily replaced.

16. Briefly describe the industry in which the Company operates. Is the industry in a period of growth or decline? Are there many providers of the product/service or a few? Are companies acquiring one another? Does the industry follow the national economy?

17. List trade publications pertaining to the industry. Include publisher’s name and address.

18. List public companies that may be considered comparable “guideline” companies.

19. Number of Employees:

Full-time _____ Part-time _____ Temporary _____ Contracted _____

20. Are any employees covered by a collective bargaining agreement? _____ Yes _____ No

If yes, briefly describe agreement and attached a copy of the agreement.

21. Briefly describe the premises (building) from which the Company operates. Is the facility owned or leased? If, leased what are the terms? Briefly describe lease. Are premises large enough to allow for expansion? If not, what are management’s intentions?

22. Briefly describe age and condition of any major pieces of equipment used in the Company’s business.

23. Describe contingent liabilities.

24. Describe any offers to buy or sell business interests in the Company.

25. List all other key employees. Include their title, duties, and compensation.

| Name | Title | Comp | Duties |
|------|-------|------|--------|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

26. Provide the following data for each officer working for the Company for each period that financial data is being provided.

| | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 |
|---------------------------|--------|--------|--------|--------|--------|
| Officer #1 – name | | | | | |
| • Title | | | | | |
| • Shareholder/Owner? Y N | | | | | |
| • % of ownership | | | | | |
| • No. of shares owned | | | | | |
| • Years with the Company | | | | | |
| • Salary and bonus | | | | | |
| • Medical and dental ins | | | | | |
| • Retirement contribution | | | | | |
| Officer #2 – name | | | | | |
| • Title Secretary | | | | | |
| • Shareholder/Owner? Y N | | | | | |
| • % of ownership | | | | | |
| • No. of shares owned | | | | | |
| • Years with the Company | | | | | |
| • Salary and bonus | | | | | |
| • Medical and dental ins | | | | | |
| • Retirement contribution | | | | | |
| Officer #3 – name | | | | | |
| • Title | | | | | |
| • Shareholder/Owner? Y N | | | | | |
| • % of ownership | | | | | |
| • No. of shares owned | | | | | |
| • Years with the Company | | | | | |
| • Salary and bonus | | | | | |
| • Medical and dental ins | | | | | |
| • Retirement contribution | | | | | |
| Officer #4– name | | | | | |
| • Title | | | | | |
| • Shareholder/Owner? Y N | | | | | |
| • % of ownership | | | | | |
| • No. of shares owned | | | | | |
| • Years with the Company | | | | | |
| • Salary and bonus | | | | | |
| • Medical and dental ins | | | | | |
| • Retirement contribution | | | | | |