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Date: \_\_\_\_\_

Dear \_\_\_\_\_:

This letter will confirm the terms of our engagement and the nature of services that will be provided. Bowman/Hanson (Appraiser) will perform an appraisal estimating the investment value of a 100% interest in the issued and outstanding common shares, the only class of outstanding, of \_\_\_\_\_ a Corporation. Our estimate will be as of \_\_\_\_\_, subject to your providing completed financial statements through that date. The appraisal will include all assets and liabilities, with the exception of any real estate owned in the corporation.

We will document the results of the engagement in a preliminary letter report. We understand the valuation and report will serve as an internal management report. Therefore, the distribution of the report is restricted to you, officers of the corporation, and respective professional advisors.

The term "investment value" is defined as follows:

The value to a particular investor based on his or her investment requirements, perceived synergy or other strategic advantage and aversion to risk.

Investment value is sometimes called strategic or synergistic value and the buyer is referred to as a strategic buyer as contrasted to the financial buyer in fair market value who envision no synergy or strategic advantage in the acquisition.

The signing of this engagement shall serve as your representation letter on the accuracy and reliability of the information to be provided to Appraiser by you and your agents. Therefore, we are authorized to rely on such information without independent investigation or verification as fairly representing the corporation's status and financial activities. Our engagement cannot be relied upon to disclose any deviation from Generally Accepted Accounting Principles (GAAP), or any misrepresentation, fraud, or other errors or irregularities.

It is our understanding that neither the corporation nor its shareholders are a party to any litigation, regulatory compliance, environmental hazard, breach, or contractual limitations, such as options, rights of first refusal, other agreements, whether pending or in place, or other matters which would have a negative material affect on the value or transferability of the interest being valued. And further, there are no known contingent or off balance sheet assets or liabilities.

It is agreed Appraiser shall have no responsibility to maintain any file or data related to this assignment beyond five years following the date of our report. We have no responsibility to update our valuation report for events and circumstances that occur after the valuation date.

The opinion of value will be as a going concern, which means we will not specify a value under an assumption of liquidation.

You acknowledge: (i) the appraisal report and opinion of value resulting from this engagement apply only for the stipulated purpose; (ii) anyone other than the parties stipulated above using the report will be an unintended user; in the event, the report or opinion of value is disclosed to an unintended user who relies on said disclosure, Client agrees to indemnify, save, hold harmless, and defend Appraiser and its employees and agents against any and all claims by said unintended user, whatsoever; (iii) nothing in the report should be interpreted as an opinion of value of any interest other than that specified above as the interest to be valued; (iv) you understand the investment value of a 100% interest can, and in all probability will, be significantly more than that 100% interest of fair market value; and (v) the value of a 100% interest can, and in all probability will be, significantly more than a minority interest as a percentage of the value of a single 100% interest.

We will prepare the appraisal report and concluding valuation, subject to certain assumptions and limiting conditions, as a nonadvocate. We will make our best effort to estimate a reasonable value; however, we do not guarantee acceptance by others.

The appraisal fee is \$5,000. This fee includes our travel costs and time to visit the company's headquarters and all costs of producing the report. In any event, the amount of our fee shall be the limit of our liability, under any conditions whatsoever.

Upon receipt of this signed agreement, together with the indicated retainer, we will provide a list of the information we will need. This should be data readily available. Following our receipt and review of the requested information we will call to schedule a visit to your headquarters.

Assuming we are not affected by events outside our control, you may anticipate Appraiser's report will be completed with 30 days of our receipt of all the information requested.

We appreciate this opportunity to be of service. If you agree with the foregoing terms, please sign this letter in the space provided below and return it to us.

Very truly yours,

\_\_\_\_\_  
Kris Karlson, President

APPROVED AND ACCEPTED

Business Name: \_\_\_\_\_

\_\_\_\_\_  
Date

Sign, date, and print your name above.