



<u>Headquarters</u>	<u>Mail & Overnight Deliveries</u>
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Financial Services Agreement

THIS AGREEMENT (“Agreement”) is entered into as of _____, _____ between ValuCorp International, Inc., 11811 N. Tatum Boulevard, Suite 3031, Phoenix, Arizona, 85028 (“ValuCorp”), and _____ (the “Company”).

WHEREAS, ValuCorp is in the business of providing financial services to business entities concerning their financial, operational, valuation, and structural aspects.

WHEREAS, the Company desires to engage ValuCorp to perform its services, and ValuCorp agrees to be engaged by the Company to provide such services. Therefore, it is mutually agreed as follows:

Agreement of Understanding. The authorized representative of the Company hereby places this order for ValuCorp to provide the following Financial Services (the “Services”) *by checking the appropriate items:*

Business Valuation or Intangible Appraisal – of the fair market value of ___% interest as of _____, _____, for the purpose of _____ \$ _____

- **Calculation of Value Report** provide an approximate indication of value of a business, business ownership interest, security or intangible asset based on the performance of limited procedures agreed upon by the appraiser and the client.
- **Limited Appraisal Report** expresses an estimate as to the value of a business, business ownership interest, security or intangible asset. The development of this estimate excludes some additional procedures that are required in an appraisal.
- **Appraisal or Valuation Opinion** determines the value of a business, business ownership interest, security, or intangible asset. The objective of an appraisal is to express an unambiguous opinion as to the value of a business, business ownership interest, security or intangible asset which opinion is supported by all procedures that the appraiser deems to be relevant to the valuation.

Blueprint for Building Value™, which consists of the following:

- **The Business Valuation Estimate** (Limited Appraisal) of the value of the business enterprise and its intangible assets expressed as an informed estimate, which is supported by all procedures that ValuCorp deems to be relevant for the Business Valuation to be in conformity with the American Society of Appraisers and the Uniform Standards of Professional Appraisal Practice. The development of this estimate includes consideration of Financial Projections and excludes some

additional procedures that are required in a full Appraisal Opinion, but has all the information needed for assessing a proposed transaction.

- **Value Driver Preliminary Review** ascertains primary financial, operational and business development opportunities for integration with Financial Projections.
- **Financial Projections and Pro Forma Financial Statements** presents 4-year integrated prospective income statements, balance sheets and cash flows, based on comprehensive assumptions developed by ValuCorp and the Company, using an “other comprehensive basis of accounting” (OCBOA).
- **The Financial Analysis Report** scores financial strengths and weaknesses to assess the business’ potential with alignment of 4-year integrated prospective income statements, and 4-year history including its current year estimate of results, as compared to the company’s industry.
- **The Capital Markets Assessment** grades various choices for advancing the Company’s business from a financial perspective (debt or equity partner, sale, acquisition program, IPO, MBO, ESOP, franchising, licensing, etc.). \$ _____

□ **Liquidity Roadmap™** – *in addition to the Blueprint for Building Value™*:

- **Due Diligence VDR** – report in a Virtual Data Room for Entities documenting and validating the disclosures made by the Company. \$ _____
- **Presentation Materials** – a Confidential Business Review *or* Lawyer-Ready Private Placement Memorandum and Summary Pitch Book, comprehensively presenting material information describing the Company and a proposed Transaction for Entities (i.e., buyers, lenders, investors, other financing sources) to determine their level of interest in a Transaction (sale, loan or investment, alliance, etc.). \$ _____
- **Business Continuity Strategies** – creation and validation of a logistical plan for how the Company’s proposed transaction will affect the business and its stakeholders during the process by assessing current and future needs, risk management, leadership and business succession. \$ _____
- **Ownership Transfers** – prior to or concurrent with the proposed transaction, we outline advantages and disadvantages of transferring ownership interests to family members, co-owners, key employees, charities and/or third parties. \$ _____
- **Personal, Financial & Estate Plan** – on-going, objective-based planning with management’s personal financial advisors for achieving long-term financial goals by integrating the business liquidity event with other assets. *Per personal financial advisor*

□ **Value Adding Navigator™** – analysis of the different factors that drive and impact the value of the business, which value drivers for this business make it more or less attractive to lenders, buyers, and investors, and addressing those value drivers that are important in distinguishing the value of the business from its counterparts in its industry. \$ _____

□ **Strategic Planning for Value Growth™** – aligning individual, organizational, and cross-departmental initiatives to identify and improve processes for meeting customer and shareholder objectives. \$ _____

Total \$ _____



STANDARD ENGAGEMENT TERMS:

Arbitration. Any controversy, dispute or claim in relation to this Agreement between the parties shall be resolved by binding arbitration in Phoenix, Arizona, in accordance with the rules of the American Arbitration Association, and any judgment of the Arbitrator shall be entitled to enforcement by any court having jurisdiction over the parties. This Agreement, its interpretation, construction and enforcement, shall be governed by the laws of the State of Arizona. The Company agrees that the total amount of possible claims against ValuCorp will not exceed the amount of fees charged the Company by ValuCorp under this Agreement.

Confidentiality. ValuCorp will not make public or disclose any information concerning the Company’s customers, markets, products, or financial aspects to any person outside of ValuCorp’s organization or its approved subcontract service providers without the prior written authorization of the Company.

Disclaimer. This is not an agreement to undertake the sale or financing of the Company’s business and ValuCorp makes no representations, express or implied, that the business will be sold or financed by virtue of the Services contemplated to be rendered under this Agreement. Due to the customization of our work, all fees are non-refundable.

Entire Agreement. This Agreement constitutes the entire understanding between the parties pertaining to its subject matter and supersedes all prior and contemporaneous agreement, representations and understandings of the parties. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties.

Fees. Due to the customization of the deliverable and the time priority of the engagement, fees are non-refundable.

Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

Indemnification. The Company shall indemnify ValuCorp and each of its officers, employees, subcontract service providers or agents against any loss resulting from any claim or legal proceedings whatsoever, asserted or brought by third parties, related to the any performance of any of the Services under this Agreement, and ValuCorp shall required by reason of this assignment to give testimony or appear in court or other legal proceedings, unless prior specific financial arrangements therefore have been made.

Other Clients. It is understood and agreed that nothing in this Agreement shall prevent ValuCorp from providing services to any other Company in any industry, nor prevent the Company from securing the services of any other advisors for any purpose whatsoever.

Professional Judgment. ValuCorp will use its professional judgment in applying valuation or other rules applicable to this engagement. Wherever there are conflicting, reasonable interpretations of the rules, we will advise the Company of the possible positions the Company might take and follow the position the Company requests as long as it is consistent with applicable professional, statutory or regulatory standards. Should the positions taken result in additional taxes, penalties, fines, interest or any other damages, we assume no responsibility for such costs.

Termination of Engagement. This engagement may be terminated by either party; provided, however, that the terms of this engagement letter, the non-refundable nature of the fees, and, or other compensation or arbitration provisions of this Agreement shall survive the termination of this engagement.

Workpaper Ownership. All documents and workpapers, including, but not limited to, data in electronic form, which emanate from the Services performed by ValuCorp remain the sole property of ValuCorp. ValuCorp retains its workpapers at its discretion and does not retain superseded materials.

The “Company”

ValuCorp International, Inc.
 (“ValuCorp”)

By: _____,
Title

By: _____
Michael Gilburd, President

Printed

