

Business Valuation Agreement

The Customer

Myles P Rennie

Business Valuation Services

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Business Valuation Agreement

THIS AGREEMENT (the "Agreement") is made and entered into as of this _____ day of _____ 20 ____ at _____ by and between _____ ("the Customer"), with offices located at _____, and Myles Peter Rennie, ("MPR"), with a street address of 16 MtForester Street, Midlands, Gauteng, South Africa. This document serves to outline the understanding of the terms and objectives of this Agreement.

Purpose

MPR will perform a valuation engagement of the assets specified in the Agreement as of the date of the most recent financial statements and MPR will prepare a valuation report. The valuation engagement will be conducted in accordance with professional appraisal practice and items listed in the Statement of Assumptions and Limiting Conditions. The estimate of value that results from a valuation engagement is expressed as a conclusion of value.

MPR will perform the valuation for the Customer for purposes of:

- Potential sale of your business
- Potential acquisition (the Customer is considering purchase of the company MPR is valuing)
- Estate planning
- Other _____

MPR has no present or contemplated future interest in the Customer, no personal interest with respect to the parties involved, nor any other interest that might prevent MPR from performing an unbiased valuation. The conclusion of value arrived at in the report is valid only for the stated purpose as of the date of the valuation.

Standard of Value

The standard of value used in this valuation will be Fair Market Value. Fair market value is the price, in terms of cash equivalents, at which property would change hands between a hypothetical willing and able buyer and a hypothetical willing and able seller, acting at arm's length in an open and unrestricted market, when neither is under compulsion to buy or sell and when both have reasonable knowledge of the relevant facts.

Premise of Value

The specified assets will be valued as a group under the premise that they collectively comprise an ongoing operating business enterprise. Although MPRs valuation is intended to estimate fair market value, MPR assumes no responsibility for the inability of a seller or buyer to obtain a sale or purchase contract at that price.

Financial and Other Information

MPR will be relying on the accuracy and reliability of the financial statements, tax returns and other financial data provided to him. MPR will not audit, review, or compile the Customers financial statements, forecasts or other data, and MPR will not express an opinion or any form of assurance on them. MPRs valuation cannot be relied on to disclose errors, irregularities, or illegal acts, including fraud or defalcations that may exist.

Public information, and industry and statistical information will be obtained from sources considered to be reliable. However, MPR makes no representation as to the accuracy or completeness of such information and have performed no procedures to corroborate the information.

Site Inspection

MPR will not visit or inspect the Customer's facilities. Except as noted, MPR will rely on the representations of the owners, management, and other third parties concerning the value and useful condition of all equipment, real estate, investments used in the business, and any other assets or liabilities, except as specifically stated to the contrary in the report. MPR will not attempted to confirm whether or not all assets of the business are free and clear of liens and encumbrances or that the Customer has good title to all assets.

MPR has not made a specific compliance survey or analysis of the subject property to determine whether it is subject to, or in compliance with any disabilities act, or any other acts or regulations, and this valuation does not consider the effect, if any, of noncompliance.

Appraisal Report

MPR will document the results of the engagement in a detailed appraisal report. The purpose of the report is to develop a conclusion of value to be used for the purposes stated above. Distribution of the report is restricted to these purposes. The report may not be used for any other purpose or by any other party for any purpose. Furthermore, the report and conclusion of value are not intended by MPR and should not be construed by the Customer to be investment advice in any manner whatsoever. The conclusion of value represents MPRs considered opinion based on information furnished to MPR by the Customer and other sources.

The valuation will reflect facts and conditions existing at the valuation date. Subsequent events will not be considered, and MPR will have no obligation to update the report for such events and conditions. No change of any item in the report shall be made by anyone other than MPR, and MPR shall have no responsibility for any such unauthorized change.

The conclusion of value arrived at in the report is based on the assumption that the current level of management expertise and effectiveness would continue to be maintained, and that the character and

integrity of the firm through any sale, reorganization, exchange, or diminution of the owners' participation would not be materially or significantly changed.

Withdrawal or Termination

If the Customer fails to comply with any of the provisions of this agreement, MPR may, at MPRs option, withdraw from the engagement. If for any reason MPR is unable to complete the valuation engagement, MPR will not issue a report as a result of the engagement, and MPRs fees shall be based on the percentage of completion.

Notices

All notices required to be given hereunder with regard to the termination of this agreement or the need for material changes to its contents (but excluding routine correspondence) shall be in writing, and shall be delivered in person or by Certified Mail, Return Receipt Requested, as follows:

To: Myles Peter Rennie, 16 MtForester Street, Midlands, Gauteng, South Africa or such other address as the parties shall designate for notices in accordance with this agreement.

Compensation

MPRs compensation for this service is R _____
(_____). MPRs compensation must be paid based on the compensation structure defined below. MPRs compensation must be paid directly by the Customer and is due and payable even if the Customer does not complete any transaction related or not related to the valuation. If MPR encounters unusual circumstances that would require expanding the scope of the engagement, MPR will get the Customer's approval before doing any additional work. MPRs compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or use of, the report

The compensation estimate is for the valuation and valuation report, and any defined in the section Additional Requirements below, but does not include any services that may be required defending MPRs valuation report in audit or litigation, including conferences, depositions, court appearances, and testimony. Compensation for any such services, if required, will be billed at MPRs standard hourly rate at that time.

Additional Requirements

There are no additional requirements specified to be delivered.

Travel Expenses

Whenever the work covered by this Agreement shall involve travel expenses, the Customer shall reimburse MPR for all costs incurred for said travel. The Customer agrees to reimburse MPR for travel distances at the rate of R 8.50 per kilometre plus a daily per Diem charge of R 500.00 when travelling outside of Gauteng.

Compensation Structure

Compensation of MPR shall be based on the following:

- Each invoice will include a detailed breakdown of services rendered
- Invoices sent to the Customer shall be due upon receipt
- MPR will invoice 50% of the compensation amount, as a retainer, on signing of this agreement
- MPR will credit the retainer and invoice for the entire compensation amount on delivery of the valuation report, or within 6 weeks of signing this agreement, whichever occurs first

Turnaround Time

MPR will begin the engagement upon receiving the signed Agreement and the documents listed on the documents request list (to be provided by MPR upon signing of the Agreement). MPR prefers that all documents be submitted to MPR in digital format. MPR reasonably expects to complete the engagement within 4 to 6 weeks of receiving all requested documents. All parties are expected to use their best efforts to collect and submit the requested information in a timely manner. Any delays in this regard will stall the process and the delivery of the final report.

No Guarantees

There are no guarantees, either expressed or implied, regarding the Customer's valuation or any possible transaction as a result thereof. MPR will not act as legal counsel for the Customer. Unless otherwise stated, no effort has been made to determine the possible effect, if any, on the subject business due to current or future legislation, including any environmental or ecological matters or interpretations thereof.

Confidentiality

MPR agrees to hold information received from the Customer, or otherwise made available to MPR with the permission of PC, in confidence and not to show or disclose it to any third party, including to any third party for MPRs marketing purposes. MPR agrees to hold its conclusion and information in its reports to the Customer in confidence and not to show or disclose such information or reports to any third party, including to any third party for MPRs marketing purposes. MPR shall use all reasonable means to safeguard the confidentiality of such information.

Neither all nor any part of the contents of the report (especially the conclusion of value, the identity of any valuation specialist(s), or the firm with which such valuation specials are connected or any reference to any of their professional designations) should be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other means of communication without our prior written consent and approval.

Management Reports

MPR will provide to the Customer's management a weekly report on the status of this project.

Severability

If any provision in this Agreement is not essential to its basic purpose, this Agreement shall not be held invalid or unenforceable and, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, this Agreement shall nevertheless remain in full force and effect in all other circumstances.

Waiver

The waiver by either party of any breach or violation of any provision of this agreement shall not operate or be construed as a waiver of any subsequent breach or violation hereof unless such waiver is expressly made in writing.

Governing Law

This agreement has been negotiated and executed in the Republic of South Africa and the laws of the Republic shall govern its construction and validity.

Entire Agreement

This Agreement supersedes any and all other agreements, either oral or written, between the parties and contains all of the covenants and agreements between the two parties relating to the subject matter hereof. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or anyone acting on behalf of any party which are not embodied herein, and that no other Agreement, statement or promise not contained in this shall be valid or binding unless such Agreement is made in writing, signed by both parties and executed at a date subsequent to the date of this Agreement. No modification of this Agreement shall be effective unless in writing and signed by both parties.

Signed this _____ day of _____ 20 _____

The Customer

Myles Peter Rennie

Witness name

Witness Signature