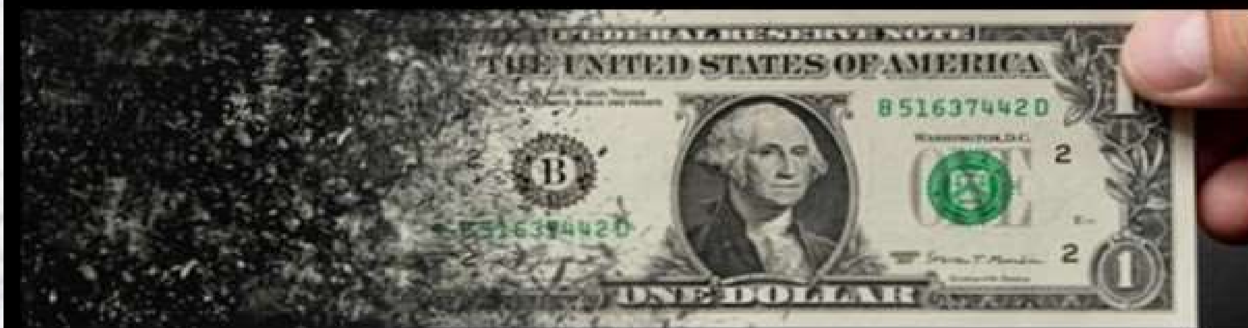
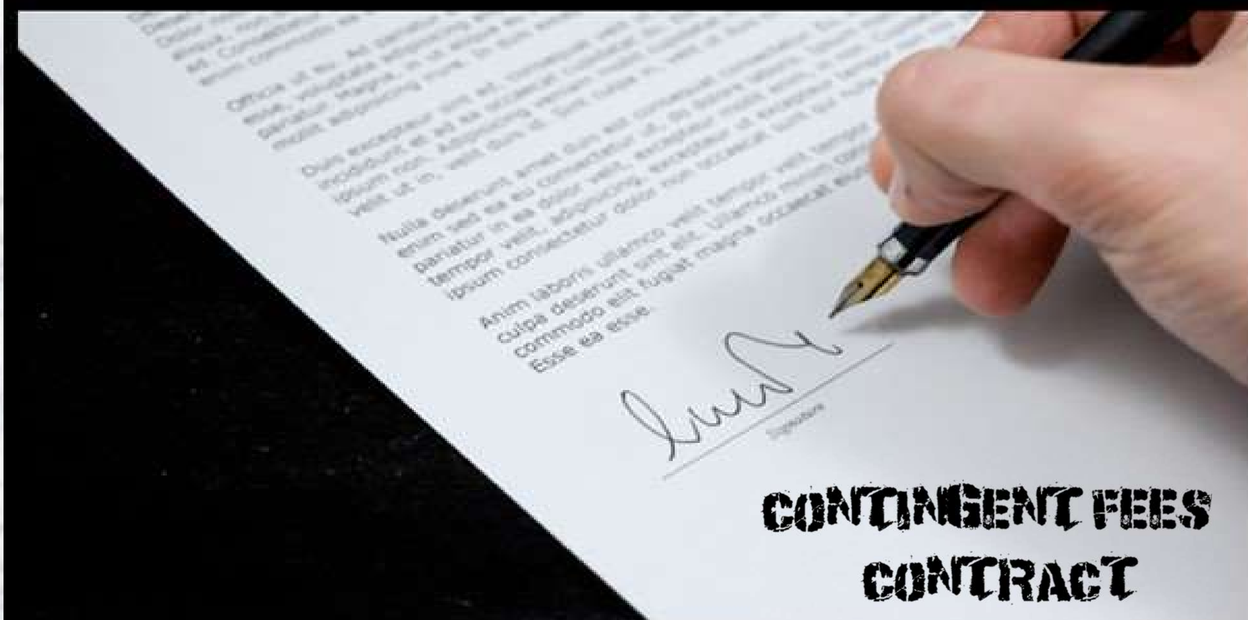
BUSINESS DEVELOPMENT PROPOSAL





Title: A Proprietary Contingency Fee Optimization Development Plan
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I. OBJECTIVE

A proposal for a business development plan concerning a proprietary process and method for the optimization and increase in net profitability from the delivery of contingent fee professional services.

II. PURPOSES

1) Utilize a proprietary process and method to potentially increase net profitability derived from contingent fee professional services (See **Disclosures #1-4** for the general disclaimer, statements concerning legal practice and changes in law, and the defined use of the term proprietary),

2) Leverage the characteristics of contingent fee legal services agreements to potentially extract additional net profitability or tax savings through the proprietary method,

3) Implement best practices concerning legal services provided on a contingency basis,

4) Implement a system that allows the use of metrics to determine greatest net profitability in the delivery of contingent fee professional services provided under the proprietary process and method (See **Disclosure #5** on case types and markets),

5) Increase the likelihood of payment for providers of professional legal services that are performed on a contingent fee basis where services may be terminated by the client prior to final case resolution,

6) Ensure adequate documentation to protect financial business interests in the event of a client's decision to terminate a contingent fee representation,

7) Increase the likelihood of payment for the providers of professional legal services that are performed on a contingent fee basis in the event of a fee or case accounting dispute (See **Disclosure #6** on uncertain variables),

8) Create disincentives for the termination of contingent fee representations while retaining compliance with the client's ultimate option to terminate a particular representation,

9) Ensure that legal services provided on a contingent fee basis are adequately handled with appropriate labor resource allocations,

10) Reduce the likelihood and frequency of "least amount of work" case churning techniques that may occur with greater prevalence in legal services performed on a contingent fee basis, and

11) Leverage other business concepts concerning contracts, entity structuring, and current tax computation methodologies to potentially optimize net profitability from contingent fee agreements (See **Disclosure #7** on increased business expenses).

III. DEVELOPMENT PROPOSAL

Contingent based fee agreements find their most prevalent use by attorneys of the Plaintiff's Bar.[1] The use of contingent fee agreements in the delivery of legal services provides several functions. The most notable function is consumer access to legal services that otherwise might not be capable of being engaged due to a client's lack of financial resources. It is often assumed, from the perspective of a client, that contingent fee agreements afford excessive compensation for the attorney or law firm providing representation because a 33-45 percent fee is commonly assessed against a monetary award that may ultimately be obtained.

Due to the inherent nature of the contingent fee agreement and conditional attorney compensation that may be received, it is uncommon, if not altogether rare, for the labor hours expended on a contingency case to be recorded. This is because tracking time on contingency cases, those where the agreed compensation is dependent upon whether there is a monetary recovery, is viewed as an unnecessary waste of time in addition to being an overall inconvenience.

Are contingent fee cases really the windfall they are presumed to be? Policy considerations aside, this is a difficult question to answer because those cases with large damages typically involve severe injuries or complicated circumstances that necessarily

[1] Although many of the matters discussed within the Development Proposal section will already be known to a prospective experienced attorney purchaser belonging to the Plaintiff's Bar, the discussion within this section in nonetheless presented for unfamiliar non-attorneys who might view and read this proposal.

involve a greater amount of work. The most significant variables to consider in evaluating the earned fees on a contingent fee case are those of the complexity of the legal matter being handled and the skill and experience of the attorneys that, in turn, establishes what would otherwise be the hourly billed rate of services performed at premium rates. Considering those variables, and without known quantifiable metrics of time expended in the handling of a particular contingency case, there is no way to really ascertain whether the contingent fee structure is more advantageous to the client or the attorney. This may be especially true where minor injuries are involved, but all the procedural hurdles of the litigation process remain the same regardless of smaller monetary recovery.

One of the inherent consumer hazards of contingent fee agreements in cases with minor injuries is that they may receive considerably less labor resources because they are perceived as having less value as compared to other cases a law firm may handle. That is, with an agreed fee being dependent upon a financial recovery, there is the risk that the least amount of work will be performed to reach a settlement in a low value case while higher value or hourly billed cases are afforded greater labor resources. Another consumer hazard may exist where a firm accepts too many cases to compensate for anticipated smaller settlement amounts, which may lead to high volume churning of contingency fee cases resulting in substandard services.

This “value added” proprietary process Business Development Concept (“BDC”), a BDC with a potential for high impact or unlimited cumulative profit potential or expense savings, is a proposal for a Proprietary Contingency Fee Optimization Development Plan that is intended to maximize the financial benefits that might be achieved from the use of contingent fee agreements while also, hopefully, minimizing the negative aspects of contingency fee cases just mentioned. This proprietary BDC and proposal are believed to be useful to contingency cases: A) that are labor intensive, B) where legal work is performed by attorneys who would otherwise bill at premium market rates, or C) cases with low value monetary recoveries. For the seasoned legal professional, this BDC and Development Plan may be financially beneficial if any of these circumstances apply. For a newer attorney, this BDC and Development Plan may additionally be beneficial as an information source concerning best practices in the delivery of services performed on a contingency basis. The maximized financial benefits referenced above, in some instances, may be the amount of the fixed percentage contingency fee that is commonly used by the Plaintiff's Bar and, in other instances, may be an alternate fee structure, which is the basis of this development proposal. Thus, the development plan is concerned with a methodology for a different treatment and variation upon the manner that contingent fee agreements are commonly handled. As a repeatable process, for a would-be single purchaser, it might be scaled or modified for potential business to business revenues.

> **"The maximized financial benefits. . . may be the. . . fixed percentage contingency fee that is commonly used [or] an alternate fee structure [that] is the basis of this development proposal."**

IV. FEE REQUEST FOR DEVELOPMENT

The factors involved in the pricing of this BDC, the Business Development Proposal, and would-be Development Plan include:

1) The proprietary nature of the BDC, Development Proposal, and Development Plan,
2) The novelty of the BDC, Development Proposal, and Development Plan,
3) The BDC and Proposal's "value added" classification with potential for high impact concerning contingency fee agreements and potential improvements to net profitability if implemented,
4) The development plan's potential benefit as an information source for new attorneys concerning the best practices to be referenced,
5) The available financial resources to would-be attorney or law firm buyer(s),
6) The unique personal knowledge, skills, education, and prior legal work experience that were necessary intermediaries for the creation of this BDC and Business Development Proposal,
7) Time already expended and services performed towards the development of the concept to date at less than premium market rates,
8) Any intellectual property rights that may exist in the processes and methods that are to be described or depicted with diagrams within the development plan,
9) The potential that the development plan might be scaled or modified for additional business to business revenues as a niche market contract administration support related business or resold as a prepackaged business process optimization solution as it is currently presented,

10) The possibility that the development plan or certain aspects of it might have transferred application to business uses in foreign law practices,

11) Other unknown or yet to be realized benefits, and

12) The contingencies identified within the disclosures section.

Based upon the foregoing factors, the requested fee for this BDC, business proposal, and the business development plan to be prepared is presented in the three options below. (See Disclosure #5 for additional funding commentary). In all cases, the fee for the development plan excludes expenses or consulting fees for execution and implementation that, if desired, are to be later determined.

A) **Single buyer at full asking price:** Where a single prospective buyer is interested in purchasing this BDC and the development plan at the full asking price without restrictions on further use or resale, the requested fee is $450,000.

B) **Single buyer at less than full asking price:** Where a single prospective buyer is interested in purchasing this BDC and the development plan at less than the full requested asking price of $450,000, the final purchase price will be evaluated on a case-by-case basis.

C) **Commission of independent agent for multiple buyers:** A ten percent commission fee, subject to pro rata modification as specified in the footnote, will be afforded to an independent agent, be it an attorney or non-attorney, who desires to act as a coordinator in collecting funds for the purchase of this BDC and the business development plan.[2] If the BDC and business development plan are to be purchased at less than the full asking price, the ultimate end purchase price shall be subject to our approval, as indicated above.

While the requested fee is not insignificant, given the above identified factors and the items to be delivered (set forth in the next section), the costs for the further development of this BDC are not significant as compared to the potential net profitability improvements for professionals using contingency fee agreements and the potential for additional business to business revenues for a single purchasing buyer.

V. THE DEVELOPMENT PLAN

If engaged, this BDC and Business Development Proposal will be further augmented and worked up into a development plan that will include **the following deliverables**:

1) Identification of the name of the new contingent fee contract,

[2] For purposes of commission fee assessments and computations, the referenced commission is based upon the independent status of the agent. If the agent is acting as the coordinator for the funding of the requested development fee for multiple buyers, the commission available will be a pro rata percentage in proportion to the funding of the paid fees that originate with parties independent of themself. For example, an attorney coordinating and raising funds for the development fee that is partially (50%) paid by his own firm and partially (50%) paid by other attorneys unassociated with him or her will be allotted 50% of the referenced commission for external coordinated funding efforts, as based upon the agreed sale price. An attorney or employee coordinating the purchase solely on behalf of his own firm will not be afforded any commission.

2) Explanation of the selected name of the new contingent fee contract,

3) A description of the proprietary process and method applicable to this contingent fee BDC, including the additional fee structures referenced below,

4) An explanation of how contingent fee agreements may be leveraged to potentially extract additional benefits,

5) An explanation of how the proprietary process and method may potentially increase net profitability derived from contingent fee agreements,

6) Identification of the best practices to be implemented concerning legal services provided on a contingency basis,

7) An explanation of how the identified best practices, if implemented, would achieve their intended purpose,

8) Identification of the business metrics and an explanation of how they may be used to both assess and potentially increase profit margins for services provided on a contingent basis,

9) Explanation of how the proprietary process and methods may increase the likelihood of payment if contingent fee legal services are terminated by the client prior to final case resolution,

10) Explanation of how financial business interests are protected with documentation in the event of a client's decision to terminate a representation involving a contingent fee agreement,

11) Identification of the anticipated two additional fee structures for potential integration into contingent fee agreements,

12) Explanation of how the proprietary process may increase the likelihood of payment in the event of a fee or case accounting dispute,

13) Explanation of how the proprietary process and method creates disincentives for premature termination of a representation involving a contingent fee agreement,

14) Explanation of how the proprietary process and method ensures that services involving contingent fee agreements are allocated proper labor resources,

15) Explanation of how the proprietary process and method reduces the potential or likelihood of “least amount of work” case churning techniques that may attend legal services performed on a contingent fee basis,

16) Identification and, to the extent useful as determined in our sole discretion, overview discussion of the other contract, entity structuring, and tax matters implicated for potential additional net profitability in the use of contingent fee agreements,

17) Diagrams that, in our sole discretion are useful or beneficial to understanding the BDC or its proprietary aspects,

18) Explanation of the end net effect of using the proprietary contingent fee contract,

19) For a single purchaser desiring to assess its feasibility for internal firm integration and its potential for additional business to business revenues, a purchaser status-specific bonus deliverable explaining the best way, from our perspective, to implement the possible niche market contract administration support related business if the prepackaged B2B resale option is not desired, and

20) Any additional information that, in our sole discretion, is believed to be useful or beneficial to understanding the BDC and involved principles.

VI. DISCLAIMERS & DISCLOSURES

1) General disclaimer. In deciding to engage the formal work-up of a Business Development Concept as a Development Plan, no assurances or guarantees are provided that the proprietary processes or development plan to be provided have not been previously conceived, contemplated, considered, or even rejected by knowledgeable specialists within the particular industry to which the Business Development Concept relates. While significant effort has been made to provide accurate information for evaluation, in deciding to engage the formal work-up of a Business Development Concept into a Development Plan, you understand and agree that there is the possibility, even if remote, of unforeseen or uncontemplated circumstances that may render a development plan incapable of being implemented or possibly useless. **Please refer to the Terms of Service on our website for additional important information and applicable terms.**

2) No legal practice or legal services. This proposal is **ONLY** for a unique and Proprietary Contingency Fee Optimization Business Development Plan. We are not engaged in the practice of law or tax advisory services, nor are we are not licensed to practice law. Further, we do not represent any prospective purchaser of this business plan in an attorney-client relationship absent changed circumstances, which are currently unforeseen. As the anticipated purchaser of this Development Plan would be an attorney or law firm, it is expected that they will utilize their own independent discretion and judgment in evaluating the Development Plan for complete or partial implementation.

3) Change of law or regulatory position. This Proprietary Contingency Fee Optimization Business Development Plan contemplates modification to business practices to achieve its net profitability or expense savings potential, there is a possibility that changes in law or certain positions that may be taken by tax regulators may impair the use or effectiveness of this BDC and its net profitability or expense saving objectives.

4) Proprietary process and methods. This BDC, proposal, and would be development plan contemplate certain proprietary processes and methods and business structures that are not common, if at all existent, to legal service providers performing services on a contingency basis. As used within this BDC, “proprietary processes and methods” means all matters, including but not limited to: the best practices, descriptions on the means of potentially increasing net profitability, additional fee structures, business structures, diagrams, if any, and their described means of implementation. “Additional fee structures,” as referenced above, means contingency fee structures <u>that differ from the fixed percentage rate</u> that is commonly used by the plaintiff’s bar in U.S. law firms.

5) Case type and markets. This BDC, proposal, and would be development plan were conceived and contemplated with business practices typical to the plaintiff’s bar and the use of contingency fee agreements within the state of California. For a prospective single buyer, it is perceived to be most suitable for prominent or established U.S. law firms with a high frequency of cases using contingent fee agreements. Despite the foregoing, it might be best suited for cooperative funding of the requested development fee by multiple attorney purchasers to reduce the risk of the “uncertain variables” referenced in

the disclosures. No representations are made concerning the application of this BDC to case types where fees may be fixed pursuant to statute; for example, California personal injury cases involving minor children. This BDC may also have usefulness or application to legal services provided in non-U.S. jurisdictions, but no assurances are made of transferability in application due to the potential breadth of variances in foreign laws, regulations, and business practices.

6) Uncertain variables. This BDC, proposal, and would be development plan concerns a Propriety Contingency Fee Optimization Development Plan with processes and methods implemented through contingent fee structures, including fee contracts, fee structuring, fee billing, statements of account, fee handling and collection, and fee disposition. As such, those immediately ascertainable variables and the attorney or firm's willingness to implement the processes or methods, and possibly other unknowns, are variables ultimately affecting the net profitability and effectiveness of this BDC.

7) Increases business expenses. Because this BDC relies upon "proprietary processes and methods" that may be non-existent or uncommon to contingency fee agreements, modifications to business procedures or practices may result in additional business expenses to implement the new processes and methods.

Thank you for considering SEE Consulting to potentially assist you with further developing or improving your company or business operations.

Sincerely,

Mr. Cameron Mostaghim

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