



PROJECT AUTHORIZATION FORM

Project Name: **PROJECT NAME** KATS **_____**

Client:
Address:
Phone / Fax / Email:

Appraisal of what:
Address:

Submit Invoice for Payment to:
Address:
Phone / Fax / Email:

Intended Use:

Intended Users:

Effective Date of Value:

Address Report to:
Address:

Deliver Digital PDF Report to:
Email Address:

Type of Service: **USPAP Valuation / Review / Consulting**

Type of Report: **USPAP Appraisal Report / Restricted Report / Review Report**

Personal Property

- | | |
|-----------------|----------|
| – M & E | Yes / No |
| – Rolling Stock | Yes / No |
| – Inventory | Yes / No |
| – Other | Yes / No |

Scope of Work:

- | | |
|----------------------------------|----------|
| • Personal Observation | Yes / No |
| • Itemize Major Assets | Yes / No |
| • Itemize Minor Assets | Yes / No |
| • Include Minor Assets via “Lot” | Yes / No |
| • Develop Cost & Market Approach | Yes / No |
| • Develop Income Approach | Yes / No |

Value / Cost Threshold > **\$10,000 each**

Definitions of Value:

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Corporate Office
212 N Main St, Nicholasville, KY 40356
www.katsme.com

Louisville Office
2808 Rosewood Road, Louisville, KY 40031
855 466-4200



Authoritative Source:

M & E Appraisal Fee: \$

Expenses: **Round Trip from Louisville KY for (1) person**
- **Mileage @ \$.545**
- **Lodging at Holiday Inn Express or equivalent**
- **Food @ \$50 per day per person**

Terms: **50% Deposit Down for Authorization; Balance plus expenses due upon presentation of Draft Schedules**

Date Due:

Site Visit Date:

Contact for site visit:

Appraisal Certification By: **Joel D. Gonja, ASA – MTS & ARM / M&E**

Real Property – Land & Bldgs **Yes / No**

Consultants / Subcontractors **Yes / No**

Expert Witness Testimony: **If required: \$250 / hr, \$750 minimum for File Review**

TOTAL FEE: \$ Plus Expenses

PLEASE READ CAREFULLY BEFORE SIGNING -- RETAIN ONE COPY FOR YOUR RECORDS AND RETURN THE OTHER COPY TO KATS M & E. THE FOLLOWING SIGNATURE AUTHORIZES / ACKNOWLEDGES THAT KATS M & E HAS BEEN GRANTED FULL AUTHORITY TO PROCEED WITH SAID APPRAISAL REQUESTED ACCORDING TO THE TERMS AND CONDITIONS STATED ABOVE:

SIGNATURE

TITLE

DATE

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CONTRACT FOR SERVICES

1. **SERVICES TO BE PROVIDED.** KATS M & E, LLC, through and by its officers, employees and subcontractors, (hereinafter **KATS M & E**) is an independent appraiser and agrees to provide Client, for its sole benefit and exclusive use, appraisal services set forth in our proposal. No third party beneficiaries are intended by this Agreement.
2. **PAYMENT TERMS.** Client agrees to pay KATS M & E a fee of \$ _____ **plus travel expenses** for appraisal services(\$_____) **Down for Authorization; Balance (\$_____plus travel expenses) due upon presentation of Draft Schedules.** If payment is not received within 30 days from the Client's receipt of KATS M & E'S invoice, Client agrees to pay a service charge on the past due amount at the greater of 1% per month or the allowable legal rate, including reasonable attorney's fees and expenses if an attorney is necessary to seek payment; provided, if Client's payment is past due, and KATS M & E engages an attorney, it shall be understood that such engagement was necessary. No deduction shall be made from KATS M & E'S invoice due to Client's alleged claims of liquidated damages unless expressly included in the Agreement. In addition to any other remedy, if payment is not received within seven (7) days of billing, KATS M & E may also suspend services on any project until paid where Client has not issued written notice of a dispute of the invoiced amounts within five (5) days of Client's receipt of KATS M & E'S invoice. Client's receipt of the invoice will be presumed to be three days after first class mailing by KATS M & E, with adequate postage attached. Time is of the essence of this provision.
3. **MODIFICATIONS.** KATS M & E will submit a DRAFT LISTING of all assets to be included within this Project for Client's review and subsequent authorization. Client may submit suggested / recommended modifications on one occurrence without incurring additional fees. Upon receipt of modifications by KATS M & E, it is assumed that the remaining listing is authorized to be correct and accurate. KATS M & E will modify the listing as appropriate and issue the FINAL REPORTS. Modifications requested after the initial review and authorization will be provided only for additional fees.
4. **TERMINATION.** Either party may terminate this Agreement without cause following 30 days written notice. This Agreement will terminate automatically upon the insolvency of Client; provided, however that notice of termination shall not have any affect on Client's obligation to KATS M & E to pay for any and all services provided by KATS M & E. In the event Client requests termination prior to completion of the proposed services, Client agrees to pay KATS M & E for all reasonable charges incurred to the date of termination. Such charges shall include payment for otherwise uncompensated labor and material incurred by KATS M & E along with all allocable general and administrative costs associated with KATS M & E'S services.
5. **STANDARD OF CARE.** KATS M & E will perform its services using that degree of care and skill ordinarily exercised under similar conditions by reputable professionals practicing or performing substantially similar services in the same geographical area at the time of service to Client. **NO OTHER WARRANTY, EXPRESS OR IMPLIED, IS MADE OR INTENDED BY OUR PROPOSAL OR BY ANY ORAL OR WRITTEN REPORTS.**
6. **PROFESSIONAL LIABILITY.** Client agrees that KATS M & E's - liability, and or the liability of its officers, directors, employees, agents and subcontracts, to client or to any third party due to any negligent professional acts, errors or omissions or breach of contract by KATS M & E or any of its officers, directors, employees, agents and subcontracts, will be limited to an aggregate of KATS M & E's - total charges. this limitation shall not apply to any extent prohibited by law.
7. **SITE OPERATIONS.** Client will arrange for right-of-entry to the property for the purpose of performing project inspections and evaluations pursuant to the agreed services. Client represents that it possesses necessary permits and licenses required for its activities at the site.

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- a. KATS M & E'S - field personnel are trained to initiate inspections and evaluations. KATS M & E'S - field personnel will avoid hazards or utilities which are clearly visible and obvious to them at the site. Provided KATS M & E is advised in writing of the presence or potential presence of underground or overground obstructions, such as but not limited to utilities, we will give special instructions to our field personnel. KATS M & E is not responsible for any damage or loss due to undisclosed or unknown surface or subsurface conditions owned by Client or third parties, except to the extent such damage or loss is a result of KATS M & E'S - negligence. Client further agrees, to indemnify and hold harmless KATS M & E, its directors, officers, employees, agents and subcontractors, from any such claims, suits or losses, including but not limited to related reasonable attorney's fees.
8. **FIELD REPRESENTATIVE.** The presence of KATS M & E'S - or its subcontractor's field personnel, either full-time or part-time, may be for the purpose of providing project administration, assessment, observation and/or inspection of specific aspects of the project as authorized by Client. Should a contractor(s) not retained by KATS M & E be involved in the project, Client will advise such contractor(s) that KATS M & E'S services do not include supervision or direction of the means methods or actual work of the contractor(s), its employees or agents. Client agrees to inform any contractor(s) that the presence of KATS M & E'S field representative for project administration, assessment, observation or inspection will not relieve the contractor(s) of its responsibilities of performing the work in accordance with the plans and specifications.
 - a. If a contractor which is not a subcontractor of KATS M & E is involved in the project, Client agrees, in accordance with such generally accepted practices, that the contractor will be solely and completely responsible for working conditions on the job site, including security and safety of all persons and property during performance of the work, and including compliance with all Client safety requirements and OSHA or any other governmental regulatory regulations or laws. These requirements will apply continuously and will not be limited to normal working hours. It is agreed that KATS M & E will not be responsible for job or site safety or security on the project, other than for KATS M & E'S employees and subcontractors, and that KATS M & E does not have the duty or right to stop the work of any such contractor.
9. **UNFORESEEN CONDITIONS OR OCCURRENCES.** It is possible that unforeseen conditions or occurrences may be encountered at the site which could substantially alter the necessary services or the risks involved in completing KATS M & E'S services. If this occurs, KATS M & E will promptly notify and consult with Client, but will act based on KATS M & E'S sole judgment where risk to KATS M & E personnel is involved. Possible actions could include:
 - a. Complete the original Scope of Services in accordance with the procedures originally intended in our Proposal, if practicable in KATS M & E'S judgment;
 - b. Agree with Client to modify the Scope of Services and the estimate of charges to include study of the unforeseen conditions or occurrences, with such revision agreed to in writing;
 - c. Terminate the services effective on the date specified by KATS M & E in writing.
10. **CLIENT DISCLOSURE.** Prior to execution of this Agreement, Client agrees to advise KATS M & E of any hazardous substance or any condition, known to Client or that reasonably should be known by the Client, existing in, on, or near the site that presents a potential danger to human health, the environment, or KATS M & E'S equipment. Client agrees to provide KATS M & E continuing related information as it becomes available to the Client. By virtue of entering into this Agreement or providing services hereunder, KATS M & E does not assume control of or responsibility as an operator or otherwise for the site or the person(s) in charge of the site, or undertake responsibility for reporting to any federal, state or local public agencies any conditions at the site that may present a potential danger to public health, safety or the environment. Client agrees under advice of its counsel to notify the appropriate federal, state or local public agencies as required by law; or otherwise to disclose, in a timely manner, any information that may be necessary to prevent damage to human health, safety, or the environment.
11. **ENVIRONMENTAL INDEMNITY.** In connection with toxic or hazardous substances or constituents, Client agrees to defend, hold harmless and indemnify KATS M & E from and against any and all claims, liabilities, or

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judgments, except to the extent finally determined as being caused directly and proximately by KATS M & E'S gross negligence or willful misconduct, resulting from:

- a. By virtue of entering into this Agreement or providing services hereunder, Client specifically acknowledges that KATS M & E:
 - i. Assumes no responsibility for hidden or unapparent conditions of the property, subsoil, ground water or structures that render the subject property more or less valuable. No responsibility is assumed for arranging for engineering, geologic or environmental studies that may be required to discover such hidden or unapparent conditions.
 - ii. Is not qualified to investigate or test for the presence of any material or substance on or in any portion of the subject property or improvements thereon, which material or substance possesses or may possess toxic, hazardous and/or harmful and/or dangerous characteristics. The presence of such materials or substances may adversely affect the value of subject property. The value estimates by KATS M & E will be predicated on the assumption that no such material or substance is present on or in the subject property or in such proximity thereto that it would cause a loss in value. The Appraiser assumes no responsibility for the presence of any such substance or material on or in the subject property, nor for any expertise or engineering knowledge required to discover the presence of such substance or material. Unless otherwise stated, this report assumes the subject property is in compliance with all federal, state and local environmental laws, regulations and rules.

12. DOCUMENTS. KATS M & E will furnish Client the agreed upon number of written reports and supporting documents. These documents are furnished for Client's exclusive internal use and reliance, use of Client's counsel, and for regulatory submittal in connection with the project or services provided for in this Agreement, but not for advertising or other type of distribution, and are subject to the following:

- a. All documents generated by KATS M & E under this Agreement shall remain the sole property of KATS M & E. Any unauthorized use or distribution of KATS M & E'S work shall be at Client's and recipient's sole risk and without liability to KATS M & E. KATS M & E may retain a confidential file copy of its work product and related documents.
- b. If Client releases, or instructs KATS M & E to provide or releases any KATS M & E generated, report(s) to a third party. Client acknowledges and agrees to inform such third party that KATS M & E'S report(s) reflects conditions only at the time of the inspection process and may not reflect conditions at a later time. Client further agrees to defend and hold KATS M & E harmless its directors, officers, employees, agents and representatives harmless from any action, suit or liability to any such third party who acts or claims to have acted to its detriment in reliance upon any such reports. Client further acknowledges that such request for release creates a potential conflict of interest for KATS M & E and by this request Client waives any such claim if KATS M & E complies with the request.
- c. Client agrees that all documents furnished to Client or Client's agents or designees, if not paid for, will be returned upon demand and will not be used by Client or any other entity for any purpose whatsoever. Client further agrees that documents produced by KATS M & E pursuant to this Agreement will not be used for any project not expressly provided for in this Agreement without KATS M & E'S prior written approval.
- d. Client shall furnish documents or information reasonably within Client's control and deemed necessary by KATS M & E for proper performance of our services. KATS M & E may rely upon Client-provided documents in performing the services required under this Agreement; however, KATS M & E assumes no responsibility or liability for their accuracy. Client-provided documents will remain the property of Client, but KATS M & E may retain one confidential file copy as needed to support our report.
- e. Upon Client's request, KATS M & E'S work product may be provided electronically. By such request, Client agrees that the written copy retained by KATS M & E in its files, with at least one conformed written copy provided to the Client, shall be the official base document. KATS M & E makes no warranty or representation to Client that the electronic / magnetic copy is accurate or complete, but will correct in good faith any omissions or errors brought to KATS M & E'S attention by Client. Any modifications of

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