



Gelfond Hochstadt Pangburn, P.C.
Certified Public Accountants and Consultants

SWW

November 7, 2001

Mr. Christopher Findlater
Mr. Keith Lawton
Auto Insurance Shopper, Inc.
1430 Larimer Street, Suite 208
Denver, CO 80202

Re: Market Value Estimate for Auto Insurance Shopper, Inc.

Dear Messrs. Findlater and Lawton:

GELFOND HOCHSTADT PANGBURN, P.C. ("GHP") has been engaged by you and Auto Insurance Shopper, Inc. (also known as NetQuote, hereinafter referred to as "the Company") to provide business valuation services in connection internal management planning purposes for the Company. In that regard, we were requested to perform a market value estimate of the fair market value of the 100 percent ownership interest in the Company as of September 30, 2001.

This market value estimate is intended to summarize our findings and conclusions with respect to the Company's fair market value. This market value estimate is limited in scope, based upon the Company's agreement with GHP that a full valuation report is not required, and that a market value estimate is appropriate for your intended uses. This letter, including our findings and conclusions stated herein, is not to be used for any other purpose without the prior written consent of GHP.

In connection with this engagement, the premise of value is going concern, and the standard of value is fair market value as defined by the Internal Revenue Service in Revenue Ruling 59-60 (1959-2 C.B. 237), which reads as follows:

... the price at which the property would change hands between a willing buyer and a willing seller when the former is not under any compulsion to buy and the latter is not under any compulsion to sell, both parties having reasonable knowledge of relevant facts.

In arriving at our market value estimate of the Company, GHP relied upon the Capitalization of Benefits Method and Excess Earnings Method to determining value. (See attached schedules for detailed calculations.)

Based upon the market value estimate performed, it is GHP's opinion that the fair market value of a 100 percent ownership interest in the Company as of September 30, 2001, is:

\$1,191,000

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Mr. Christopher Findlater
Mr. Keith Lawton
Auto Insurance Shopper, Inc.

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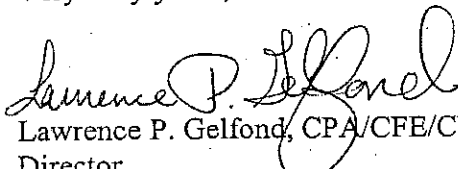
Our market value estimate is based upon estimates, assumptions and other information derived from our discussions with you; our trending analysis of the Company's historical results of operations; our limited knowledge of the market and industry; and our general accounting, business, and economic knowledge. Our market value estimate is also dependent upon highly competent management and marketing efforts on behalf of the Company, which are assumed to be in place throughout the Company's expected life.


With regard to all financial information and documents utilized by us in connection with our engagement, we have assumed this information to be correct and accurate, and have made no attempt to independently audit or verify the information presented. Therefore, GHP does not express an opinion or other form of assurance with regard to this information. However, no matters have come to our attention which would indicate that the information and documents provided to us on behalf of the Company were not accurate.

The workpapers used in connection with our market value estimate are maintained by GHP, and contain documentation of our valuation assumptions, the Company's historical financial statements, market and economic research, and correspondence and discussions between you and GHP. Our workpapers are available for inspection by you, your representatives, and such third parties as may be authorized by due process of law, and a duly authorized peer review committee.

The above findings are based upon the procedures performed by GHP to date. If matters come to our attention or if information is presented to us subsequent to this date, we reserve the right to disclose our findings to you in a subsequent communication; although we have no responsibility to do so.

Very truly yours,


Lawrence P. Gelfond, CPA/CFE/CVA
Director


Dawn M. Reyling, CPA/ABV/CVA
Senior Manager

Enclosures

APPENDIX

Auto Insurance Shopper, Inc.

Page 1

Summary of Values

As of September 30, 2001

<u>Method</u>	<u>Note Ref.</u>	<u>Value</u>	<u>Weighting</u>	<u>Weighted Average</u>
Capitalization of Benefits Method	(A)	\$1,232,078	50%	\$616,039
Excess Earnings Method	(B)	\$1,150,742	50%	<u>\$575,371</u>
Fair Market Value of 100% Ownership Interest				<u><u>\$1,191,410</u></u>
Fair Market Value of 100% Ownership Interest in Auto Insurance Shopper, Inc. as of September 30, 2001 - Rounded				<u><u>\$1,191,000</u></u>

(A) See detailed calculation on page 2.

(B) See detailed calculation on page 3.

Auto Insurance Shopper, Inc.**Page 2**

Valuation Under the Capitalization of Benefits Method

As of September 30, 2001

	<i>Note Ref.</i>	
Weighted Average Normalized Pretax Earnings	(A)	\$460,590
Estimated Growth	(B)	<u>7.00%</u>
Estimated Future Earnings		492,831
Capitalization Rate	(B)	<u>40.00%</u>
Indicated Value From Operations		1,232,078
Add: Net Nonoperating Assets		<u>0</u>
Fair Market Value of Auto Insurance Shopper, Inc.		<u><u>\$1,232,078</u></u>

(A) See detailed calculation at page 5.

(B) See detailed calculation at page 6.

Auto Insurance Shopper, Inc.**Page 3**

Valuation Under the Excess Earnings Method

As of September 30, 2001

	Note Ref.		
Fair Market Value of Net Tangible Assets	(A)		\$37,657
Weighted Average Normalized Pretax Earnings	(B)	460,590	
Less: Return on Net Tangible Assets	(A)	<u>4,225</u>	
Excess Pretax Earnings		456,365	
Capitalization Rate	(C)	<u>41.00%</u>	
Intangible Assets (Goodwill)			<u>1,113,085</u>
Fair Market Value of Auto Insurance Shopper, Inc.			<u><u>\$1,150,742</u></u>

(A) See detailed calculation on pages 4a and 4b.

(B) See detailed calculation on page 5.

(C) See detailed calculation on page 7.

Auto Insurance Shopper, Inc.

Fair Market Value ("FMV") of Net Tangible Assets
As of September 30, 2001

Source: Internally Prepared Financial Statements.

	BV @ 12/31/96	BV @ 12/31/97	BV @ 12/31/98	BV @ 12/31/99	BV @ 12/31/00	BV @ 09/30/01	FMV Adjustments	FMV @ 09/30/01
Assets								
Current assets:								
US Bank #194-312-136-543	(\$7,458)	(\$4,537)	(\$3,925)	(\$1,048)	\$24,964	\$183,439	\$0	\$183,439
US Bank - saving account	0	0	0	0	5,000	5,000	0	5,000
Petty cash	300	300	300	300	300	300	0	300
Accounts receivable	0	0	274	52,697	116,206	202,710	(20,271) (a)	182,439
Total current assets	(7,158)	(4,237)	(3,352)	51,948	146,469	391,449	(20,271)	371,178
Property, plant and equipment:								
Computer hardware	38,672	54,600	66,769	78,827	72,106	88,343	0	88,343
Computer software	10,197	18,299	47,073	71,929	0	12,549	0	12,549
Furniture	543	543	1,543	2,112	5,921	9,306	0	9,306
Leasehold improvement	4,654	5,533	5,533	13,733	30,212	32,312	0	32,312
Others	0	0	0	0	0	1,932	0	1,932
Total Property, plant, and equipment	54,067	78,976	120,918	166,601	108,239	144,440	0	144,440
Less: accumulated depreciation	16,589	16,589	44,146	76,196	6,741	6,741	33,750 (b)	40,491
Net property, plant and equipment	37,478	62,387	76,772	90,405	101,498	137,699	(33,750)	103,949
Other assets:								
Trademark	0	2,504	2,504	3,404	3,404	4,054	(4,054) (c)	0
Total other assets	0	2,504	2,504	3,404	3,404	4,054	(4,054)	0
Total assets	\$30,320	\$60,654	\$75,924	\$145,757	\$251,371	\$533,202	(\$58,075)	\$475,127
Liabilities and Equity								
Current liabilities:								
Accounts payable	0	0	0	0	0	0	0	0
Payroll liabilities	3,041	6,535	8,515	11,057	3,383	6,567	430,000 (d)	436,567
Bank advance	0	3,442	33,574	32,540	23,102	(33,257)	33,257 (e)	0
Credit card payable	3,162	3,162	0	0	0	0	0	0
IRA payable	0	0	0	0	151	503	0	503
Loans from shareholders	0	0	0	0	400	400	0	400
Total current liabilities	6,204	13,140	42,089	43,598	27,035	(25,787)	463,257	437,470
Total long-term liabilities	0	0	0	0	0	0	0	0
Total liabilities	6,204	13,140	42,089	43,598	27,035	(25,787)	463,257	437,470
Total net tangible assets	\$24,116	\$47,514	\$33,835	\$102,160	\$224,336	\$558,989	(\$521,332)	\$37,657
Rate of return on net tangible assets (see Page 4b)								11.22%
Return on net tangible assets								\$4,225

(a) Adjustment made to reflect 10 percent uncollectable balance according to the Company's representation to GHP.

(b) Represents estimated depreciation for the nine months ended September 30, 2001 not yet recognized.

(c) Adjustments made to adjust these other assets to their fair market value of \$0.

(d) Represents accrued payroll of \$12,000 for the employees for the month of September 2001; and \$418,000 accrued officer compensation, representing underpayment for the years 1994 through 2000 (as discussed in GHP's Auto Insurance Shopper, Inc.'s Senior Management Compensation report dated November 7, 2001). It is anticipated that accrued payroll will be paid by year end 2001.

Auto Insurance Shopper, Inc.**Page 4b****Rate of Return on Net Tangible Assets***As of September 30, 2001*

	Fair Value	Loan %	Loan Amount
Accounts receivable	\$182,439	80.00%	\$145,951
Inventory	\$0	80.00%	0
Fixed assets	103,949	80.00%	83,159
			229,111
Collateralized borrowing capacity			
Less: Existing debt			<u>0</u>
Total borrowing capacity	<u>\$286,388</u>		
Remaining borrowing capacity			<u>\$229,111</u>
% of total borrowing capacity		<u>80.00%</u>	
Market borrowing rate (Prime + 1%)	7.00%		
Required return on debt (pretax)	<u>7.00%</u>	80.00%	5.60%
Rate of return on equity *	<u>28.09%</u>	20.00%	<u>5.62%</u>
Rate of Return on Net Tangible Assets			<u><u>11.22%</u></u>

Notes:

* The rate of return on tangible equity capital should be at the low end of a reasonable range of earnings discount rate because the investment relates to tangible assets, which means there is less risk involved. As such, the required rate of return on tangible equity capital is calculated net of specific company risk as follows:

Risk Free Rate (20 yr U.S. Treasury Coupon Bond Yield @ 9/30/01)	5.58%
Add: Long-horizon Expected Equity Risk Premium (1)	7.80%
Expected Micro-capitalization Equity Size Premium (\$101 m. equity cap.) (1)	2.60%
Grabowski Long Horizon Equity Risk Premium (\$30 m. market cap.) (2)	<u>2.00%</u>
Average Market Return at Valuation Date - After-tax	17.98%
Divided by: 1-tax rate (3)	<u>64.00%</u>
Average Market Return at Valuation Date - Pretax	<u><u>28.09%</u></u>

(1) Ibbotson Associates "Stock, Bond, Bills, and Inflation" 2001 Yearbook, page 244.

(2) Based on study conducted by Pricewaterhouse to convert to smallest category of \$30 million.

(3) See page 8b for detailed calculation.

Trending Analysis of Income Statement
Source: Internally Prepared Financial Statements.

	FYE December 31, 1996			FYE December 31, 1997			FYE December 31, 1998			FYE December 31, 1999		
	\$	% of Total Revenue		\$	% of Total Revenue	% Change From Prior Yr.	\$	% of Total Revenue	% Change From Prior Yr.	\$	% of Total Revenue	% Change From Prior Yr.
Net sales	\$789,300	100.00%		\$833,590	100.00%	5.61%	\$1,125,440	100.00%	35.01%	\$1,707,506	100.00%	51.72%
Operating expenses:												
Advertising	554,041	70.19%		532,901	63.93%	-3.82%	705,302	62.67%	32.35%	851,695	49.88%	20.76%
Automobile expense	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Automobile lease	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Bank charges	1,078	0.14%		1,211	0.15%	12.30%	3,583	0.32%	195.91%	8,302	0.49%	131.71%
Contract labor	7,375	0.93%		1,146	0.14%	-84.46%	7,225	0.64%	530.59%	12,902	0.76%	78.58%
Depreciation and amortization	7,714	0.98%		-	0.00%	-100.00%	20,652	1.84%	N/A	32,050	1.88%	55.19%
DSL	-	0.00%		-	0.00%	N/A	6,626	0.59%	N/A	6,617	0.39%	-0.13%
Dues and subscriptions	269	0.03%		171	0.02%	-36.33%	415	0.04%	142.30%	1,432	0.08%	245.04%
Gifts/Contribution	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Insurance	4,640	0.59%		6,219	0.75%	34.03%	7,845	0.70%	26.15%	18,466	1.08%	135.38%
Meals & entertainment	63	0.01%		-	0.00%	-100.00%	743	0.07%	N/A	823	0.05%	10.75%
Miscellaneous	-	0.00%		44	0.01%	N/A	273	0.02%	522.08%	117	0.01%	-57.26%
Moving expenses	-	0.00%		-	0.00%	N/A	204	0.02%	N/A	12,741	0.75%	6152.44%
Office supplies	8,216	1.04%		5,229	0.63%	-36.36%	11,038	0.98%	111.10%	12,678	0.74%	14.86%
Officers' compensation	64,720	8.20%		77,817	9.34%	20.24%	93,000	8.26%	19.51%	108,333	6.34%	16.49%
Postage	2,498	0.32%		2,438	0.29%	-2.41%	2,723	0.24%	11.67%	3,584	0.21%	31.62%
Printing	659	0.08%		1,571	0.19%	138.39%	543	0.05%	-65.46%	1,495	0.09%	175.60%
Professional fees	706	0.09%		279	0.03%	-60.52%	275	0.02%	-1.35%	2,269	0.13%	725.05%
Refunds	(577)	-0.07%		565	0.07%	N/A	221	0.02%	-60.88%	-	0.00%	-100.00%
Rent	12,687	1.61%		14,949	1.79%	17.84%	13,720	1.22%	-8.22%	17,640	1.03%	28.57%
Repairs and maintenance	3,995	0.51%		4,047	0.49%	1.29%	4,582	0.41%	13.21%	7,266	0.43%	58.58%
Salaries and wages	33,239	4.21%		60,503	7.26%	82.02%	106,089	9.43%	75.35%	141,253	8.27%	33.15%
Taxes and licenses	8,393	1.06%		12,280	1.47%	46.32%	16,375	1.46%	33.35%	20,233	1.18%	23.56%
Telephone	63,949	8.10%		76,947	9.23%	20.33%	116,765	10.38%	51.75%	75,061	4.40%	-35.72%
Training and education	-	0.00%		576	0.07%	N/A	1,398	0.12%	142.71%	1,728	0.10%	23.64%
Travel	3,238	0.41%		1,334	0.16%	-58.79%	1,960	0.17%	46.96%	1,650	0.10%	-15.84%
Utilities	3,200	0.41%		3,300	0.40%	3.13%	3,557	0.32%	7.79%	4,272	0.25%	20.10%
Total operating expenses	780,103	98.83%		803,528	96.39%	3.00%	1,125,115	99.97%	40.02%	1,342,608	78.63%	19.33%
Income from operations	9,197	1.17%		30,062	3.61%	226.87%	325	0.03%	-98.92%	364,898	21.37%	112176.31%
Other income (expense):												
Interest expense	(1,903)	-0.24%		(664)	-0.08%	65.11%	-	0.00%	N/A	-	0.00%	N/A
Bounced check	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Finance charges	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Maintenance fees	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Credit card	(2,900)	-0.37%		-	0.00%	N/A	2,900	0.26%	N/A	-	0.00%	-100.00%
Write-off	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	(296,573)	-17.37%	N/A
Loss on asset disposal	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Total other income (expense)	(4,803)	-0.61%		(664)	-0.08%	86.18%	2,900	0.26%	N/A	(296,573)	-17.37%	-10326.66%
Earnings before taxes and valuation adjustments	4,394	0.56%		29,398	3.53%	569.05%	3,225	0.29%	-89.03%	68,325	4.00%	2018.60%
Valuation adjustments:												
Officers' salaries (1)	(27,965)	-3.54%		(19,434)	-2.33%	30.51%	(39,091)	-3.47%	-101.15%	(51,579)	-3.02%	-31.94%
Depreciation and amortization (2)	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Moving expenses (3)	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	12,741	0.75%	N/A
Loss on asset disposal (3)	-	0.00%		-	0.00%	N/A	-	0.00%	N/A	-	0.00%	N/A
Total valuation adjustments	(27,965)	-3.54%		(19,434)	-2.33%	30.51%	(39,091)	-3.47%	-101.15%	(38,839)	-2.27%	0.64%
Normalized pretax earnings	(23,571)	-2.99%		9,964	1.20%	N/A	(35,866)	-3.19%	-459.96%	29,486	1.73%	N/A
Weighting factors	-			-			1			2		
Weighted pretax earnings	-			-			(35,866)			58,972		
Weighted average normalized pretax earnings												

(1) See detailed calculation on page 8a.

(2) Represents estimated depreciation/amortization expense not yet recognized.

(3) GHP added back moving expense and loss on asset disposal since they represented nonrecurring, nonoperating expenses.

Continued on page 5b.

	FYE December 31, 2000			YTD September 30, 2001		Annualized FYE December 31, 2001			
	\$	% of Total Revenue	% Change From Prior Yr.	\$	% of Total Revenue	\$	% of Total Revenue	% Change From Prior Yr.	Total
Net sales	\$3,282,444	100.00%	92.24%	\$4,456,260	100.00%	\$5,941,680	100.00%	81.01%	49.74%
Operating expenses:									
Advertising	1,214,925	37.01%	42.65%	1,837,214	41.23%	2,449,618	41.23%	101.63%	
Automobile expense	400	0.01%	N/A	922	0.02%	1,229	0.02%	207.17%	
Automobile lease	-	0.00%	N/A	16,894	0.38%	22,526	0.38%	N/A	
Bank charges	6,564	0.20%	-20.94%	9,459	0.21%	12,612	0.21%	92.14%	
Contract labor	35,291	1.08%	173.53%	2,980	0.07%	3,973	0.07%	-88.74%	
Depreciation and amortization	42,664	1.30%	33.12%	-	0.00%	-	0.00%	-100.00%	
DSL	11,568	0.35%	74.81%	15,027	0.34%	20,036	0.34%	73.21%	
Dues and subscriptions	660	0.02%	-53.93%	987	0.02%	1,316	0.02%	99.52%	
Gifts/Contribution	1,200	0.04%	N/A	2,990	0.07%	3,987	0.07%	232.22%	
Insurance	29,541	0.90%	59.97%	58,360	1.31%	77,813	1.31%	163.41%	
Meals & entertainment	1,788	0.05%	117.25%	2,322	0.05%	3,097	0.05%	73.18%	
Miscellaneous	388	0.01%	232.03%	890	0.02%	1,187	0.02%	206.03%	
Moving expenses	6,090	0.19%	-52.20%	200	0.00%	267	0.00%	-95.62%	
Office supplies	13,747	0.42%	8.43%	19,821	0.44%	26,427	0.44%	92.24%	
Officers' compensation	240,000	7.31%	121.54%	400,000	8.98%	533,333	8.98%	122.22%	
Postage	5,540	0.17%	54.59%	5,161	0.12%	6,881	0.12%	24.20%	
Printing	1,387	0.04%	-7.23%	599	0.01%	798	0.01%	-42.44%	
Professional fees	5,746	0.18%	153.26%	54,420	1.22%	72,560	1.22%	1162.76%	
Refunds	-	0.00%	N/A	-	0.00%	-	0.00%	N/A	
Rent	58,464	1.78%	231.42%	83,968	1.88%	111,958	1.88%	91.50%	
Repairs and maintenance	28,146	0.86%	287.39%	8,451	0.19%	11,268	0.19%	-59.97%	
Salaries and wages	307,066	9.35%	117.39%	472,931	10.61%	630,575	10.61%	103.35%	
Taxes and licenses	39,918	1.22%	97.29%	62,445	1.40%	83,260	1.40%	108.58%	
Telephone	75,496	2.30%	0.58%	49,968	1.12%	66,624	1.12%	-11.75%	
Training and education	6,094	0.19%	252.59%	11,811	0.27%	15,748	0.27%	158.41%	
Travel	23,188	0.71%	1305.34%	43,408	0.97%	57,877	0.97%	149.60%	
Utilities	4,086	0.12%	-4.36%	1,238	0.03%	1,651	0.03%	-59.60%	
Total operating expenses	2,159,957	65.80%	60.88%	3,162,466	70.97%	4,216,621	70.97%	95.22%	
Income from operations	1,122,487	34.20%	207.62%	1,293,794	29.03%	1,725,059	29.03%	53.68%	184.86%
Other income (expense):									
Interest expense	-	0.00%	N/A	(423)	-0.01%	(564)	-0.01%	N/A	
Bounced check	71	0.00%	N/A	-	0.00%	-	0.00%	-100.00%	
Finance charges	679	0.02%	N/A	(8,473)	-0.19%	(11,297)	-0.19%	-1762.67%	
Maintenance fees	3,700	0.11%	N/A	(2,705)	-0.06%	(3,606)	-0.06%	-197.47%	
Credit card	-	0.00%	N/A	1,384	0.03%	1,845	0.03%	N/A	
Write-off	(663,639)	-20.22%	N/A	(468,925)	-10.52%	(625,233)	-10.52%	5.79%	
Loss on asset disposal	(20,192)	-0.62%	N/A	-	0.00%	-	0.00%	N/A	
Total other income (expense)	(679,381)	-20.70%	N/A	(479,142)	-10.75%	(638,855)	-10.75%	5.97%	
Earnings before taxes and valuation adjustments	443,106	13.50%	548.53%	814,652	18.28%	1,086,204	18.28%	145.13%	201.03%
Valuation adjustments:									
Officers' salaries (1)	(130,117)	-3.96%	-152.27%	-	0.00%	(149,960)	-2.52%	-15.25%	
Depreciation and amortization (2)	-	0.00%	N/A	-	0.00%	(45,000)	-0.76%	N/A	
Moving expenses (3)	6,090	0.19%	-52.20%	-	0.00%	-	0.00%	-100.00%	
Loss on asset disposal (3)	20,192	0.62%	N/A	-	0.00%	-	0.00%	-100.00%	
Total valuation adjustments	(103,835)	-3.16%	-167.35%	-	0.00%	(194,960)	-3.28%	-87.76%	
Normalized pretax earnings	339,271	10.34%	1050.62%	814,652	18.28%	891,244	15.00%	162.69%	
Weighting factors	3					4			10
Weighted pretax earnings	1,017,813					3,564,976			4,605,895
Weighted average normalized pretax earnings									\$ 460,590

(1) See detailed calculation on page 8a.

(2) Represents estimated depreciation/amortization expense not yet recognized.

(3) GHP added back moving expense and loss on asset disposal since they represented nonrecurring, nonoperating expenses.

Build Up Method - Capitalization of Benefits Method

Risk Free Rate (20 yr U.S. Treasury Coupon Bond Yield @ 9/30/01)	5.58%
Add: Long-horizon Expected Equity Risk Premium (1)	7.80%
Expected Micro-capitalization Equity Size Premium (\$101 m. equity cap.) (2)	2.60%
Price Waterhouse (Grabowski) Size Premium (\$30 m. equity cap.) (3)	2.00%
Total Specific Company Risk (4)	9.00%
After-Tax Cash Flow Discount Rate	26.98%
Add: Conversion Percentage to Arrive at After-tax Earnings Discount Rate (5)	3.00%
After-Tax Earnings Discount Rate	29.98%
Divided by: 1-Tax rate (6)	64.00%
Pretax Earnings Discount Rate	46.84%
Less: Long-term Average Compound Growth Rate (7)	7.00%
Pretax Earnings Capitalization Rate for the Next Year	39.84%
Pretax Earnings Capitalization Rate for the Next Year - Rounded (8)	40.00%

(1) Large company stock total returns minus long-term government bond income returns, per Ibbotson Associates' 2001 SBBI Yearbook: Valuation Edition, page 244.

(2) Adjusting difference for the rate of returns declared by large versus small companies, per Ibbotson Associates' 2001 SBBI Yearbook: Valuation Edition, page 244.

(3) Based on study conducted by Price Waterhouse to convert to smallest category of \$30 million.

(4) Specific Company Risk, a separate risk component of the Build Up Method, was estimated by considering depth of management, product, customer base, supplier base, competition, financial strength, stability of earnings, and economy.

(5) Percentage needed to convert from net cash flow to net earnings per PPC's "Guide to Business Valuations" paragraph 505.17.

(6) See page 8b for detailed calculation.

(7) Estimated Long term growth rate is supported by historical financial and operating trends, as well as its prospective results.

(8) As the Company is an S corporation and not deemed to be subject to income tax, GHP deemed it appropriate to apply a pretax capitalization rate as the pool of hypothetical willing buyers is deemed to be primarily corporations.

Build Up Method - Excess Earnings Method

Risk Free Rate (20 yr U.S. Treasury Coupon Bond Yield @ 9/30/01)	5.58%
Add: Long-horizon Expected Equity Risk Premium (1)	7.80%
Expected Micro-capitalization Equity Size Premium (\$101 m. equity cap.) (2)	2.60%
Price Waterhouse (Grabowski) Size Premium (\$30 m. equity cap.) (3)	2.00%
Total Specific Company Risk (4)	<u>9.00%</u>
After-Tax Cash Flow Discount Rate	26.98%
Add: Conversion Percentage to Arrive at After-tax Earnings Discount Rate (5)	<u>3.00%</u>
After-Tax Earnings Discount Rate	29.98%
Divided by: 1-Tax rate (6)	<u>64.00%</u>
Pretax Earnings Discount Rate	46.84%
Less: Long-term Average Compound Growth Rate ("G") (7)	7.00%
Add: Conversion Percentage for Excess Earnings Method (8)	<u>4.00%</u>
Pretax Earnings Capitalization Rate for the Next Year	43.84%
Divided by: G + 1	<u>107.00%</u>
Pretax Earnings Capitalization Rate for the Current Year	<u>40.98%</u>
Pretax Earnings Capitalization Rate for the Current Year - Rounded (9)	<u>41.00%</u>

(1) Large company stock total returns minus long-term government bond income returns, per Ibbotson Associates' 2001 SBBI Yearbook: Valuation Edition, page 244.

(2) Adjusting difference for the rate of returns declared by large versus small companies, per Ibbotson Associates' 2001 SBBI Yearbook: Valuation Edition, page 244.

(3) Based on study conducted by Price Waterhouse to convert to smallest category of \$30 million.

(4) Specific Company Risk, a separate risk component of the Build Up Method, was estimated by considering depth of management, product, customer base, supplier base, competition, financial strength, stability of earnings, and economy.

(5) Percentage needed to convert from net cash flow to net earnings per PPC's "Guide to Business Valuations" paragraph 505.17.

(6) See page 8b for detailed calculation.

(7) Estimated Long term growth rate is supported by historical financial and operating trends, as well as its prospective results.

(8) Percentage needed to convert from net cash flow to net earnings per PPC's "Guide to Business Valuations" paragraph 501.15.

(9) As the Company is an S corporation and not deemed to be subject to income tax, GHP deemed it appropriate to apply a pretax capitalization rate as the pool of hypothetical willing buyers is deemed to be primarily corporations.

Analysis of Officers' Compensation

	1996	1997	1998	1999	2000	2001
Estimated Market Officers' Compensation (1)	\$90,688	\$95,863	\$129,300	\$156,229	\$370,117	\$683,293
Actual Officers' Compensation	\$64,720	\$77,817	\$93,000	\$108,333	\$240,000	\$533,333
Difference	\$25,968	\$18,046	\$36,300	\$47,896	\$130,117	\$149,960
Add: Estimated Payroll Expenses at 7.69% (2)	\$1,997	\$1,388	\$2,791	\$3,683	\$0	\$0
Total Officers' Compensation Valuation Adjustment	\$27,965	\$19,434	\$39,091	\$51,579	\$130,117	\$149,960

(1) Market compensation is calculated as 11.5 percent of net sales, based on GHP's study of comparable public and private companies as summarized in GHP's Auto Insurance Shopper, Inc.'s Senior Manager Compensation report dated November 7, 2001.

(2) Represents actual employer's portion of payroll taxes.

Estimated Income Tax Rate	<u>Note Ref.</u>	1996	1997	1998	1999	2000	2001
Normalized, Annualized Pretax Earnings		(\$23,571)	\$9,964	(\$35,866)	\$29,486	\$339,271	\$891,244
Taxable Income		-	9,964	-	29,486	339,271	891,244
Federal Corporate Income Tax	(A)	\$0	\$1,495	\$0	\$4,423	\$115,352	\$303,023
State Corporate Income Tax	(B)	\$0	\$498	\$0	\$1,474	\$16,964	\$44,562
Estimated Federal and State Corporate Income Tax Rate		0.00%	20.00%	0.00%	20.00%	39.00%	39.00%
Applicable Corporate Income Tax Rate for All Years Presented	(C)	<u>36.00%</u>					

(A) Calculated based on the most recent federal corporate income tax rate table.

(B) Estimated to be 5 percent of normalized pretax income.

(C) Tax rate for the year 2001 is deemed appropriate since the company financial position in 2001 is significantly different from previous years.