

M.J. Schulz & Associates, Inc.

Forensic Fire and Explosion Incident Analysis

Rate Schedule

January 1, 2020

FEES FOR PROFESSIONAL SERVICES

Located in Metropolitan Sacramento, California, M.J. Schulz & Associates, Inc. is an internationally known consulting firm focusing on safety, security and emergency management issues with a specialized emphasis in the investigation and analysis of hostile fire and explosion incidents.

The professional services of the firm's President and Principal Consultant Michael Schulz are billed at the rate of Four Hundred Twenty-Five Dollars (\$425.00) per hour, plus related incurred expenses. For professional services rendered within a hazardous materials or waste environment requiring appropriate and specialized personal protective apparel and equipment, services are billed at the rate of Four Hundred Seventy-Five Dollars (\$475.00) per hour.

For professional services rendered outside of the Sacramento Metropolitan area, a minimum of ten (10) hours per day will be charged. All work performed outside the Sacramento Metropolitan area is charged portal to portal. Travel outside the Sacramento Metropolitan Area in excess of five hundred miles (500) is done so with first class or business class air travel accommodations.

The professional services of the firm's staff consultants are billed at the rate of Two Hundred Fifty Dollars (\$250.00) per hour, plus related incurred expenses. For professional services rendered outside of the Sacramento Metropolitan area a minimum of ten (10) hours per day will be charged. All work performed outside the Sacramento Metropolitan area is charged portal to portal.

The professional services of our field technicians are billed at the rate of One Hundred Dollars (\$100.00) per hour, plus related incurred expenses. For professional services rendered outside of

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the Sacramento Metropolitan area a minimum of ten (10) hours per day will be charged. All work performed outside the Sacramento Metropolitan area is charged portal to portal.

The professional services of the firm's administrative support staff are billed at a rate of Seventy-Five Dollars (\$75.00) per hour, plus incurred expenses.

All outstanding invoices are to be paid in full prior to any deposition and/or trial testimony. A minimum of eight (8) hours is billed for each day on which deposition and/or trial testimony is scheduled or given, regardless of the actual time, as no other work can be scheduled on those days. Unless special prior arrangements are made, deposition testimony is given in the Sacramento Metropolitan area during regular weekday business hours, which are 9:00 A.M. to 5:00 P.M.

Notwithstanding the outcome of any related litigation, all fees, costs and expenses will be paid in full in a timely manner as described below.

FEES FOR FORENSIC LABORATORY SERVICES

M.J. Schulz & Associates, Inc. provides forensic laboratory services which focus primarily on issues that arise during and are related to its forensic investigation and analysis of safety, fire and explosion incidents and related issues. In addition, these same forensic laboratory services are also provided to clients who are not involved in or anticipating litigation.

Professional services associated with forensic laboratory activities are billed at the same rates as all other professional services, plus related incurred expenses.

RETAINERS FOR PROFESSIONAL SERVICES

An initial minimum and non-refundable retainer for professional services is required prior to the performance of all professional services. All professional services performed, and related expenses incurred will be billed against that minimum initial retainer according to our billing policy.

At such time as the initial minimum retainer is depleted, it may become necessary from time to time to require the payment of additional advances to re-establish the minimum retainer to

facilitate the completion of the professional services requested. In the event it may become necessary to request any such additional advances, same will be paid in a timely manner. In addition, the cost of certain related incurred expenses associated with preparation for trial, including trial exhibits, may require prepayment.

The Federal Employer Tax Identification Number (FEIN) of M.J. Schulz & Associates, Inc. is 36-4339836 and all retainers for professional services and payments should be made payable to "M.J. Schulz & Associates, Inc."

CHARGES FOR CASE RELATED EXPENSES

Related expenses incurred during investigations and analyses are billed to the client in addition to fees for professional services and/or forensic laboratory services and include a fifteen percent (15%) service fee.

Common expenses may include lodging, subsistence, travel, photographic and imaging media, photographic and imaging processing, photocopying, reference and research publications, test supplies, postage, delivery services, deposition and trial exhibits and the like.

ATTORNEY'S/COLLECTION FEES

In the unlikely event that M.J. Schulz & Associates, Inc. is required to pursue legal action in order to collect outstanding fees for professional services, forensic laboratory service ad/or related incurred expenses, the client acknowledges that M.J. Schulz & Associates, Inc. is entitled to recover all reasonable attorney's fees and collection costs incurred by M.J. Schulz & Associates, Inc. in connection with any such legal action.

VENUE FOR COLLECTION ACTIONS

In the event that M.J. Schulz & Associates, Inc., does pursue legal action in order to collect outstanding fees for professional services, forensic laboratory service ad/or related incurred expenses, the client acknowledges that the venue for such legal proceedings will be Placer County, California.

CHARGES FOR OUTSIDE PROFESSIONAL WORK

Occasionally, the services of other outside professionals may be needed in the performance of the requested professional services and/or forensic laboratory services. Examples would include survey crews, licensed drone operators, structural engineers, mechanical engineers, electrical engineers, fire protection engineers, forensic analysts and the like.

The fees for the services of such outside professionals are established by their respective employers and are not negotiable through M.J. Schulz & Associates, Inc. In most circumstances, clients will be encouraged to retain most outside professionals directly.

The providers of these outside professional services may be directed to submit statements for services rendered directly to the client or through M.J. Schulz & Associates, Inc. In any event, all such professional fees, costs and expenses will be paid in a timely manner.

CHARGES FOR PHYSICAL EVIDENCE STORAGE

The storage of physical evidence is billed at the rate of \$250.00 per month beginning the first month after the physical evidence is received for storage. Storage of such physical evidence is done in a secure and climate-controlled environment under the exclusive control of M.J. Schulz & Associates, Inc.

Fees for the storage of physical evidence requiring special space requirements may be billed at a higher rate appropriate to those special requirements.

In certain instances, it may be deemed more appropriate to store physical evidence in a secured storage facility not under the exclusive control of M.J. Schulz & Associates, Inc. In those cases, any expenses incurred as a result of such contracted storage arrangements will be billed at the same rate incurred by M.J. Schulz & Associates, Inc. for its use of that secured storage.

BILLING POLICY

The individual or firm that originally arranges for the professional services is considered to be the client and will be billed for all services performed and related expenses incurred.

Each client will be billed on a monthly basis for all services performed and related expenses incurred during the preceding month. All monthly invoices will include a specific identification of the professional services rendered, the amount of time attributed to those professional services, as well as an itemization of the related incurred expenses.

All fees, as set forth in the monthly invoices, are due and payable upon receipt. Outstanding balances not paid when due will accrue an interest charge of two percent (2%) per month from the due date until paid.

INITIATION OF ENGAGEMENT

The submission of the client's initial case file materials and/or retainer for professional services and/or forensic laboratory services will confirm the client's engagement of M.J. Schulz & Associates, Inc. This same submission will also confirm the client's acceptance of the provisions of this rate schedule.

Without such evidence of retention, M.J. Schulz & Associates, Inc. will not consider itself to have a conflict in the event its personnel are formally retained by other interested parties to the same incident, matter and/or litigation.

CONFIDENTIALTY

The professional services and/or forensic laboratory services of M.J. Schulz & Associates, Inc. will be confidential and M.J. Schulz & Associates, Inc. will not divulge disclose or communicate any information obtained during its retention to a third party, or use it for its own benefit except at the client's direction or as required by lawful court order or other appropriate legal proceeding. All case file and discovery materials will be strictly controlled relative to their access and availability.

As such, the client will notify M.J. Schulz & Associates, Inc. of any applicable court orders regarding same.

REPRESENTATIONS

M.J. Schulz & Associates, Inc. makes no representations concerning the outcome of any contested claim or negotiation on the outcome of any litigation for which M.J. Schulz & Associates, Inc. is providing professional and/or forensic laboratory services.

M.J. Schulz & Associates, Inc. will not provide any legal advice to any injured party nor does M.J. Schulz & Associates, Inc. have control of the preparation and/or management of any related legal matters.

CHALLENGES TO EXPERT TESTIMONY

In the event that any party legally challenges the testimony provided by or to be provided by a retained expert of M.J. Schulz & Associates, Inc. on any applicable grounds, the client will notify M.J. Schulz & Associates, Inc. as soon as practical, but no later than fifteen (15) business days from the date the challenge is first made.

M.J. Schulz & Associates, Inc. reserves the right to actively participate in the rigorous defense of any such challenges including, but not limited to, the consultation of its own legal counsel.

TERMINATION OF ENGAGEMENT

M.J. Schulz & Associates, Inc. reserves the right to terminate any engagement of its professional services in the event that the provisions of the current rate schedule are not honored. M.J. Schulz & Associates, Inc. also reserves the right to suspend the performance of professional services in the event that any invoice is past due greater than thirty (30) days.

In the event that any related litigation is terminated, fully litigated, settled or otherwise resolved, all professional fees and related incurred expenses will be payable until such time as M.J. Schulz & Associates, Inc. receives written notification to likewise terminate its performance of professional services.

Due to the nature of certain types of case files, additional professional services may become necessary following the date any related litigation is terminated, fully litigated, settled or otherwise resolved. Most often, these professional services are directly related to compliance

with post-litigation provisions of protective orders and/or the requested return of case file and discovery materials by the client.

CASE FILE RETENTION POLICY

The contents of individual case files will be maintained by M.J. Schulz & Associates, Inc. for a period of six (6) months following the termination of engagement of its professional services on that particular case file unless otherwise requested by the client. After that time period, the contents of individual case files will be securely destroyed to prevent the unauthorized distribution of any such contents.

Following that time period, M.J. Schulz & Associates, Inc. alternatively reserves the right to archive any materials which are part of those individual case files as general reference materials provided such materials are not the subject of a protective order or similar legal agreement.

No written notification of the destruction of individual case files will be made to the client.

ELECTRONIC MAIL RETENTION POLICY

Electronic mail originating from or received by M.J. Schulz & Associates, Inc. and/or its employees is not maintained or archived unless specifically requested in writing by an individual client upon retention of our professional services. If such a written request is received, it will be deemed by M.J. Schulz & Associates, Inc. to be applicable only to that individual case file.

PHYSICAL EVIDENCE RETENTION POLICY

Physical evidence from an individual case file will be maintained by M.J. Schulz & Associates, Inc. for a period of six (6) months following the termination of engagement of its professional services on that particular case file unless otherwise requested by the client. After that time period, the physical evidence will be securely destroyed to prevent its unauthorized distribution.

Following that time period, M.J. Schulz & Associates, Inc. alternatively reserves the right to archive any physical evidence which is part of those individual case files as general reference exemplars provided such materials are not the subject of a protective order.

No written notification of the destruction of physical evidence will be made to the client.

RATE SCHEDULE REVISIONS

The rate schedule of M.J. Schulz & Associates, Inc. is periodically reviewed during the normal course of business. Any revisions to the rate schedule will be in written form and will be distributed to the affected client (s) as part of the following month's billing cycle.

The subject of any such revisions will become effective upon their distribution in written form.

If any provision of the rate schedule of M.J. Schulz & Associates, Inc. is declared or found to be illegal, unenforceable or void, all other remaining provisions shall remain in full force and effect.