

HOW DO WE OPERATE ?

Without any obligation on your part, we would be pleased to discuss the utilization of our services by your organization. Subsequent to our preliminary discussion we would perform an initial review and report to you defining our objectives, the approach to be used and the estimated cost of the assignment.

The assignment would be conducted under the supervision of one of our principals and an observation report submitted setting forth recommendations, advantages and disadvantages of any procedural changes that are recommended.

Our services are performed with a written contract and a client may terminate the engagement at any time. After our recommendations have been reviewed by our client and a decision reached on the changes to be made, our services are available to assist in implementing these changes.

HOW MUCH DOES IT COST TO ENGAGE A MANAGEMENT CONSULTANT ?

Our rate schedule is geared to meet the needs of the small and medium sized firms and we will quote rates for both special assignments and also general assignments on a monthly retainer basis, or a combination of both.

Consider the advantages that can be obtained by combining the knowledge of your operating personnel with a professional advisor having the background experience and knowledge to apply the new tools and techniques available to management today.

If you are interested in discussing further utilization of our services, please call Bob Patterson, Pres., Patterson Systems, at (905) 457-5238, 10 am - 9 pm, to arrange a no-charge preliminary meeting.

PATTERSON SYSTEMS Management & System Consultants

2009 FEE SCHEDULE

| | <u>Current Fees</u> |
|---|-------------------------|
| For consulting, systems analysis, programming, design, installation supervision, training, and system support | \$200/Hr. |
| For travel by automobile | \$0.50/km |

**Special Pricing for Prepaid Block Time
System Support Agreements**

| | |
|---------------------|-------------------------|
| A block of 10 Hours | \$180/Hr. \$1,800/Bk |
| A block of 25 Hours | \$160/Hr. \$4,000/Bk |
| A block of 50 Hours | \$140/Hr. \$7,000/Bk |

Prepaid System Support agreements provide a convenient way of ensuring the availability of just the amount of system support that you need, as opposed to paying a fixed 'monthly maintenance fee' when services are not required, and being surcharged the following month for service exceeding the 'monthly maximum'. Support services are provided to the best of our ability, as soon as reasonably possible after receipt of the client's request, at mutually convenient times.

Time purchased in blocks under a System Support Agreement may be used up at the customer's convenience, for any of Patterson Systems' services, at any time within the 12 months immediately following the purchase of the block. (i.e. Time not used within 12 months of the purchase shall be deemed to have been used in the maintenance of system support services for the client.)

Terms

Hardware sales are pre-billed and prepaid, or C.O.D. Billings for services, consultant's out-of-pocket expenses, travel, and supplies are Payable On Presentation. Payment for prepaid block time system support agreements must be received BEFORE work will commence.

The copyright to all programming done by Patterson Systems remains the exclusive property of Patterson Systems, and the client is granted a perpetual, non-exclusive licence to use that programming which is supplied to them by Patterson Systems, for the client's own use only, not for resale, on one computer.

PS

MANAGEMENT

AND

SYSTEM CONSULTING

SERVICE

A CONTRIBUTION TO YOUR BUSINESS

Management consultants are generally, but incorrectly, considered to be available only to large firms who can afford their services. In more recent years, it has become apparent that small businesses need these services even more than large firms. Our services are especially geared to the small and medium sized firms for the purpose of assisting the management team in all phases of its operations.

WHAT CAN THIS SERVICE DO FOR YOUR COMPANY ?

Many small companies are operated by persons that are sales, production, engineering, and service oriented. We have found that such persons are often lacking in administrative and financial skills. Therefore, we feel that very often our clients can benefit by combining the specific knowledge of their operating personnel with our professional advisers.

Since our services are based on the principles of law, accounting, engineering, or in the science of management, the practicing consultant is able to maintain an objective viewpoint unaffected by internal problems. The analytical skill and scientific background of consultants enable them to probe and identify a company's underlying problem, and it's causes. Past experience helps them to diagnose the problem, to find a workable solution and to predict the results that correction of the problem will bring.

Practicing consultants offer businessmen a wide range of services, including:

In General Management:

- * Organization of planning
- * Definition of corporate objectives and policies
- * Management development programs

In Production:

- * Production and inventory planning and control
- * Process control systems
- * Performance standards and incentives
- * Maintenance planning and control

In Finance and Control:

- * Information and reporting systems
- * Financial analysis and planning
- * Data processing
- * Feasibility studies
- * Systems development
- * Office procedural studies

CAN WE BE OF ASSISTANCE ?

Do you have problems with the normal day to day information flow?

- * Accounts receivable details and controls
- * Processing payables
- * Billing methods
- * Maintaining adequate Inventory control records
- * Production planning
- * Performing the normal accounting functions
- * Preparation of financial and operating statements

Do you have the time or the personnel to provide advice and training to your staff?

Can you use assistance in setting up a "Management Information System" using work simplification methods, detailing staff responsibilities, and establishing internal control systems to aid management toward their profitable aim?

**Adequate records, Management controls,
Profit planning and a sound Management
organization -**

These are the attributes of every successful firm.

STARTING A NEW BUSINESS OF YOUR OWN ?

What is the best approach to structuring your company, financially, tax-wise, and legally ?

- * Incorporation
- * Registration
- * Sole Proprietorship
- * Private or Limited Partnership

What about searching & registering your business name and trademarks ? **What protections** are offered, and at what cost ?

- * The design of suitable logos, letterheads, business cards, invoices and other forms
- * Selection of the best sources for supplies
- * Best location for your business & the tax implications of your choices
- * The best way to market your new business

These are all areas where an experienced consultant can help guide you around the many pitfalls that can trap a new business owner.

MICROCOMPUTER WORKSTATIONS AS A LOW COST SOLUTION, INSTEAD OF THIN CLIENTS ?

Technology has reduced the cost of microcomputer hardware to the point where new computers seem cost justifiable, compared to thin client devices, for many companies that previously could not consider them.

We feel that using old computers as workstations for a "low cost solution", in your specific situation, requires an evaluation study to determine the pros and cons of the different approaches, and justifying the cost.

A well designed system has the ability to help reduce day to day operational costs and provide the kind of information that helps improve profitability.

The software industry sells *standard programs*, offering only minimal customization, to meet the common business applications, e.g.:

- * Invoicing
- * Accounts Receivable
- * Payables
- * Inventory control
- * Sales analysis
- * General Ledger - etc.

Special, *customized application programs* require the services of highly skilled programmer/analysts. This can be costly, both in money and in time.

In between the rigidity of inexpensive packages, and the high cost & time delay of full custom programming, we can now offer standard packages supplied *with the program source code*, allowing extensive modification to exactly suit your business.

In spite of the marketing pressure to use a computer, many smaller businesses are able to produce the required management information, and handle things efficiently without one, if they use well-designed manual systems !

EVALUATION STUDY

Why call in a dozen companies to get the information about the many computers offered today ? Have you the time to devote to a complete analysis ? Are you familiar with the computer language ? What will your choice mean in dollars and cents?

Do you **BUY-LEASE-SERVICE CONTRACT- CLOUD?**

- * System design
- * Software selection or creation
- * Hardware selection
- * Day to Day operations
- * Installation and Staff training

These are some of the questions that need sound professional advice.