

RUTHERFORD

ADVISORY GROUP, LLC

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Jane Doe
Xyz, Inc
1400 N. Plankinton Ave.
Milwaukee, WI 53203

Dear Jane:

Thank you for considering Rutherford Advisory Group, LLC for your technology management. Between the years of your consultant's technology experience and dedication to new office technology, I'm sure you'll find what you are looking for in a complete outsourced technology management provider.

The following is an overview of the proposed consulting options. A summary page follows

Proposed Consulting Project:

Overview

Based on our two telephone conversations, you explained that at the time of your organization's move to its new location later this year, you would like to replace your existing Merlin Legend telephone system. As you mentioned, you plan to experience tremendous growth over the next two years and require a telephone system that can handle up to 200 users/sets including voice mail. On top of that, you plan to implement DID and would like a phone system that is VoIP compatible. You also require at least 5 modem lines for dialing into the state for Medicare, along with several fax lines.

There are many reasons to use a consultant for this project. One of the many reasons is as a timesaving to you. Rather than letting your daily responsibilities get pushed aside while you do this research, you can rely on an unbiased and unaffiliated consultant to help you make these decisions. This allows you to continue what you do best, which helps your office run smoothly, which gives your customers the best customer service available. Another reason is to rely on a consultant who has knowledge in the products and/or services you wish to purchase. There are many other reasons but these two reasons tend to be the largest reasons.

With this in mind, this document will walk you through the stages of consultation for your upcoming project.

Consultation Process

Like all companies are different, all consulting projects are different. There isn't one solution for every company. Because of that, this proposal reflects a dynamic process. You are welcome to request more or less from any piece within this process.

Your consultant can do as much as or as little as you wish them to do.

Determining Your Needs

It would not make sense to determine your organization's needs without listening to the people within your organization. There are several ways to receive feedback from your organization's staff.

One way is to rely on you and your management staff to create a wish list. This requires the least amount of outsourced consulting time as your organization does all of the work in determining what you need on your new telephone system. This information is gathered internally and given to your consultant for review. This method costs less in outsourced monies but still requires management to organize meetings with key managers and staff, combining the data into a report, and presenting this information to your consultant. This time spent by management is taking away from daily responsibilities and leaves someone outside of the research process determining whose input is worth mentioning and whose is not.

A second way to determine the needs of your organization is to pass out questionnaires to your staff. This questionnaire can be developed internally or by your consultant. This questionnaire would ask a list of questions of your staff to hopefully determine the likes and dislikes of your current phone system, requests for the new telephone system, and suggestions for making the transition run smoothly. These completed questionnaires would be given to your consultant who would create a wish list for the new telephone system. A drawback to this approach is that most people aren't technical and may use words that make sense to them but may not be understandable to others. This leads to either taking more time by calling this person to clarify what they wrote, or risking the loss of that suggestion because it didn't make sense in print.

Another way to establish the needs of your organization is for your consultant to conduct one-to-one interviews with key staff and management. This allows each individual to speak directly with someone who will be part of the research process so that no suggestions are left un-noted. Also, each person's feedback can be understood at the time that they are making the suggestions so that no thought or idea needs further follow-up, nor will it be over-looked because it was not understood. Finally, your consultant will have a feel for exactly what people like and dislike about your current telephone system, and what they would like to have in a new telephone system. This is most valuable when researching the right product and support for the new telephone system as even the smallest suggestion may find a place within the newest technology. The drawback to this means of data collection is that it requires the most time from your consultant, but at the same time it limits time required by your company's staff and also ensures that a key person in the research process is gathering all relevant internal data.

For the purposes of this proposal, the final means of data collection, one-to-one interviews by your consultant, will be used. If you would like a proposal using any other means of data collection, please contact your consultant.

Initial Consultation

Regardless of the method used to determine the needs of your organization, your consultant will want to meet with key management staff to confirm the requests from your organization. This helps to confirm that your consultant is researching products that really do reflect the needs of your organization and not a few outspoken staff-members. This consultation will also serve to add or remove features your consultant feels may help or hinder productivity, or that may raise or lower the final price dramatically. It is from this consultation that your consultant will begin to research the final product.

Finding the Right Support

"The most important decision is not necessarily the hardware and software you utilize, but the company you choose to support your business." Joe Jehn, President, Waltz Business Systems.

More important than finding the right product to meet your organization's needs is the support behind that product. You can find the best product out there, but if you don't have a great company supporting the product, it is worthless. So, the first step is finding the right company to support the final product.

Your consultant will begin researching your organization's new telephone system by researching the local service providers. Questions asked and observations during this research will determine the following:

- Quickness in answering the initial call
- Professional "feel" of the company
- Response time in an emergency
- Availability for service (24/7, 9-5, etc.)
- Number of years in business
- Number of staff technicians
- Telephone systems supported
- Staff certifications on supported systems
- Additional products and services offered

Upon determining the answers to the above questions, your consultant will start to remove companies that do not meet your organization's needs. Key factors will be guaranteed response-time, number of technicians and their certifications, availability for service, and telephone systems supported. Telephone systems supported is most important because you ultimately want to decide upon a telephone system that is supported by multiple companies, not just one.

Determining the Right Product

After determining the right companies for support, your consultant will make a second round of calls to the remaining organizations. The second round calls will be directed towards a salesperson/account executive who will be given a list of basic specifications for your new telephone system. These companies will be given a certain length of time to submit a proposal which will state all required hardware, installations costs, references, and any other reasoning for using them over their competition. These proposals will be sent to your consultant and your organization's name will not be given.

Upon receiving these proposals, your consultant will scour through them to find commonalities and differences between each proposal. If your consultant can't determine why the differences exist, the company providing the proposal will be contacted for an explanation. If needed, the companies may be asked to re-submit their proposals. From these proposals, your consultant's recommendation for your telephone system will be made.

Because most name-brand telephone systems have products that meet most company's needs, the exact product is not as crucial as the company supporting the product. So, while the product will be a name-brand, it may be one of several products available that meet your needs and are within your price-range.

Factors in determining the right telephone system for your organization:

- Availability of support – not just one company but at least two companies who support that product.
- The company that guarantees the best response-time for the telephone system.
- An excellent reference-check from the company, and hopefully, in regards to the product.
- Well-written and complete proposal, meeting your needs.
- Telephone system that is name-brand and a national company.
- Upgradeable features of the telephone system.

You may notice that price is *not* a factor in determining the right telephone system. That is simply because the lowest price rarely offers the best product and services. Not that the most expensive proposal will be the recommended proposal either. There are many factors in determining the right telephone system and, you get what you pay for. A company with a solid reputation may charge a little more for support than a company that is struggling. It is in your organization's best interest to pick the company with the solid reputation over the struggling company, regardless of price.

Presenting the Solution

In some cases there will be one company that stands out as having the best product with the best support. However, in most metropolitan areas, there are generally 3-5 companies that provide great products and great service and support to back up those products. After narrowing the search down to no more than three companies, your consultant will develop a report explaining the pros and cons of each company. Included within this report will be the proposals from those three companies. All factors used to narrow down these three companies will be included--in paragraph form, and in plain English. A final recommendation will be made, but the ultimate decision will be made by your organization.

Upon finishing this report, a meeting will be set between your consultant and all staff and management involved in the final decision making process. All factors will be discussed including features you and your staff requested, factors in determining the best support providers, and the reasoning behind the final product's decision. At the end of this meeting, you and your staff will have a clear understanding of why each decision was made and why this recommendation is the best recommendation for your organization.

Upon deciding which company you will be dealing with, you may choose to contact the winning company's representative yourself or you may choose to allow your consultant to continue with the process and coordinate the installation.

This proposal does not cover costs or the explanation associated with continuing forward with installation coordination, the costs or explanations associated with your telecommunications provider (both voice and data lines), or costs and explanations of cabling for your new system. If you require consultation for any of these areas, please contact your consultant for further information or for an additional proposal.

40

\$125

\$5000

From this, a 50% deposit will start your consulting services, and, upon presentation of the final report, the balance will be requested via invoice.

In the event that the total number of hours is less than the maximum number estimated, the appropriate rate will be determined from the chart above. The chart above will also determine the rate for any amount of hours exceeding the total estimated hours. Adequate documentation and explanation will be provided explaining why more time was required.

Final payment is requested during presentation of the solution. If, for some reason, final payment is not available at this time, final payment must be received within 7 business days of the final invoice's receipt or a finance charge will be assessed. Any payment not received after 30 days will be subject to collections.

Detailed terms of payment and terms and conditions are provided in a separate contract for consulting services.

Needs Outside of Rutherford Advisory Group's Capabilities

Occasionally clients require opinions or auditing services which require equipment or knowledge outside of our expertise. In the case that this project requires 3rd party expertise, you will be notified, in writing, of any additional costs. We have relationships with companies in the area that provide these services. Most will work as a subcontractor for us within the price-range of this proposal. Any additional time or equipment necessary will be included in an amended proposal with a full description of what service will be provided and why the service is necessary.

Starting of Consultation

Consultation begins when both parties sign the consultation contract and the initial payment is received. The contract will reference this proposal and will reflect all terms of payment and terms and conditions of working with Rutherford Advisory Group, LLC. Contact your consultant for a consultation contract and an invoice for your initial payment.

Professional References

As Rutherford Advisory Group, LLC is a new company in this area, some references are from prior clients while working in Cincinnati, OH. Please reference Tim Rutherford during the call.

Company	Contact and Services Provided	Client From
Oriimec Corporation 1840 Airport Exch Blvd Erlanger, KY 41018	Gabrielle Dion, Administrator - (859) 746-3318 ex 17 Supported and installed full computer network. Provided sales support for new telephone system.	Summer '98
Freiberg Orthopedic 3557 Kenwood Road Cincinnati, OH 45242	Chad Wiggins – CEO - (513) 221-5500 Support multi-server, multi-location network/WAN, copier. Provided network faxing via telephone system for GCOC.	Fall '98
Oswald Company 8549 Montgomery Road Cincinnati, OH 45236	Todd Haidet– Controller - (513) 793-8080 Provided support for multi-server network/WAN.	Summer '00
Rutherford Advisory Group, LLC references:		
Asset Advisors 11400 W. Blue Mound Rd Wauwatosa, WI 53226	Gary Mutz, Insurance Advisor/Owner – (414) 771-5570 Assist in computer support recommendations.	Spring '03
East Somaria 508 N. 18 th Street Milwaukee, WI 53000	Sr. Anne Margaret, Director (414) 342-4980 Provide technology support and advice for multiple locations of this non-profit organization.	Spring '03