

STATEMENT OF BUSINESS POLICY
REGARDING CLIENTS, FORECASTERS, PROMOTERS, AND OTHERS

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Comments Welcome

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If you desire to be a forecaster, please fill out
and return a copy of the four pages at the end.

If you desire to be a promoter, or to serve in any
capacity listed on page 23, please give me a call.

(703) 521-1037
Hours 8:00 a.m. to 9:00 p.m. E.S.T.
or 5:00 a.m. to 6:00 p.m. P.S.T.
Seven Days a Week

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NOTICE OF PATENT ISSUED

U.S. Patent 5,608,620.

This business policy refers to a method of economic incentives, involving plural-forecaster payment systems, upon which the author and inventor has been issued a patent. (U.S. Patent 5,608,620) The patent on this invention only restricts actual use of the described invention; it does not restrict in any way the verbal or written discussion, description, or criticism of that invention. Any actual use of the patented invention without the express written permission of Forecasting Patents, Inc. is strictly prohibited.

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TYPE OF BUSINESS

1. Forecast Broker. Valmarpro Forecasting, Inc. acts as a broker or intermediary between forecasters and potential clients. Forecasters are independent contractors, who stand to receive substantial variations in payment, depending on the accuracy of their forecasts. Forecasters are geographically diverse, and remain anonymous from the client.

2. Patented Forecasting Incentives. Valmarpro Forecasting uses the patented Lundgren forecasting incentives method. (U.S. Patent 5,608,620) This method pays forecasters in accordance with the Value Marginal Product (VMP) of the forecasts which they produce. The incentive method has several desirable features, including unbiased forecasts, efficient aggregation of information, and appropriate elicitation of effort levels. The method may be used to solicit forecasts or estimates for any observable or unobservable variable value, including subjective values and probability estimates.

3. Examples. Possible applications of the Lundgren forecasting incentives method include prediction of future prices, quantities, and profits; estimation of environmental externalities; estimates of regulatory costs/benefits; business financial, and mutual fund valuations, including prediction of means and variances; macroeconomics; and other specialties. Forecasts and estimates may be sought in any of the sciences, including economics, political science, engineering, physics, chemistry, biology, and interdisciplinary.

4. Corporate Structure. Valmarpro Forecasting, Inc. is an S Corporation, incorporated in Virginia. Currently, Carl Lundgren is its President, Director, and sole shareholder. Valmarpro Forecasting, Inc. is the operating company which transacts business with clients, forecasters, promoters, and others.

5. Affiliated Companies. Forecasting Patents, Inc. holds the Lundgren patent(s) and licenses their use to Valmarpro Forecasting, Inc. Forecasting Payments, Inc. temporarily holds the assets used to pay forecasters, until the compensation of forecasters is computed and paid. Neither the patent(s), nor the assets held on behalf of forecasters, constitute assets of Valmarpro Forecasting, Inc. The assets of these affiliated companies will not be used to pay the debts or other liabilities of Valmarpro Forecasting, Inc., nor will they be used to pay the debts or liabilities of any other affiliated company which may hereafter be formed.

POLICY REGARDING CLIENTS

GENERAL

1. Contracts with Clients. The term "client" refers to any individual, business firm, or government agency which contracts with Valmarpro Forecasting, Inc. to receive any forecast or estimate. Unless otherwise specified by contract, this statement of business policy regarding clients governs all contracts between Valmarpro Forecasting, Inc. and any client. This business policy may be revised from time to time.

2. Advance Payment Required. Advance payment is required before any forecast will be solicited from any forecaster. Part of the payment will be received by Valmarpro Forecasting, Inc. to cover costs and profit. Part of the payment will be held by Forecasting Payments, Inc. to cover payments to forecasters.

3. Minimum Business Required. For a one-shot forecast, business of less than \$10,000 will not be considered; business of more than \$50,000 will almost surely be considered. For repeated business, with the same or similar clients, the cost per forecast may be lower. Valmarpro Forecasting will not sign any contracts with an expected loss component merely on speculation that average costs will be lower if business is repeated. Where start-up costs are significant, contracts may specify the partial refund of start-up costs paid by an initial client when business of a similar nature is conducted with subsequent clients.

4. Forecaster Anonymity. Forecasters are to remain anonymous from both the client and each other. The client shall make no attempt to obtain the identities of forecasters, or to direct the inclusion or exclusion of particular forecasters from the forecasting task; such attempts will be regarded as interference. The client shall report to Valmarpro Forecasting any incident wherein a forecaster or other person identifies himself or herself as a forecaster assigned to any particular forecasting task. Except as otherwise indicated herein, Valmarpro Forecasting will not identify the names of forecasters to the public or any client, unless absolutely required to do so in compliance with law.

CONTRACT COSTS

5. Structure of Costs. Contract costs will include all the costs listed below, plus any overhead costs (such as insurance). Contracts will normally be structured so that any forecast preliminaries will be charged at cost plus a markup for overhead and profit. Contracts will normally determine in advance the amount to be charged for the Fixed Total Compensation of forecasters and the storage costs, including the markup for overhead and royalties.

6. Forecast Preliminaries. The client must provide forecast-relevant data in good order for use by forecasters. The client must also define the loss function for each forecast, the specialties and talents required of forecasters, and the desired total effort by forecasters. These forecast preliminaries can be provided internally by the client, or externally by a consultant to the client. Valmarpro Forecasting is also willing to assist in these forecast preliminaries.

7. Data in Good Order. Data must be provided by the client in a form which is suitable for analysis by forecasters. Both quantitative data and qualitative information which is relevant to the forecast or estimate must be provided. Data which is suitable for quantitative analysis must be provided in machine readable form. Qualitative information must be provided in written form. The costs of gathering, providing, and duplicating information will be borne by the client.

8. Definition of Loss Function. The client must define a loss function for use in assessing the accuracy of forecasts, and in computing and paying forecaster compensation. Normally, this loss function will reflect the clients opportunity costs associated with inaccurate forecasts. In some cases, the loss function will be arbitrary. Valmarpro Forecasting is especially willing to assist in the definition of an appropriate loss function.

9. Forecaster Specialties. In consultation with Valmarpro Forecasting, the client must determine whether forecasters should have a particular skill set in a particular field of study or specialization, or whether forecasters with general statistical, economic, or financial abilities are acceptable. If specialties are required which are not currently part of the forecaster pool, the client must pay for the advertisements or other methods of recruitment needed to obtain specialty forecasters for the pool.

10. Definition of Total Effort by Forecasters. The client, in consultation with Valmarpro Forecasting, must determine a level of forecaster effort which is both reasonable and desirable. A judgement must be made concerning what level of time, effort, and talent is required to generate sensible forecasts, in view of the data and information which must be analyzed, and the loss function specified by the client.

11. Mainframe Computers. If the rendering of a sensible forecast within a reasonable period of time requires the use of mainframe computers or other specialized software or equipment, other than personal computers using commonly available statistical programs, then the client shall provide and pay for legal access of forecasters to such mainframe computers, equipment, or software.

12. Forecast Interference. Valmarpro Forecasting will not accept any contract wherein the client attempts to induce, by

means of any influence, interference, control, or incentive, the particular value or range of values for the forecast. The client agrees to refrain from all such interference, either directly or indirectly, with the independence of the forecast procedures and outcome, or with the policy of forecaster anonymity. In the event that the client does interfere, the client shall be liable to penalty damages to Valmarpro Forecasting in the amount of five times the Fixed Total Compensation of the forecasters, plus court costs and attorneys' fees, in addition to any other damages which may be due to the forecasters, Valmarpro Forecasting, or third parties. In addition, Valmarpro Forecasting reserves the right to cancel or withhold the forecast(s) interfered with, without liability for damages to the client or third party.

13. Forecaster Misconduct. In order to maintain forecaster anonymity, the client agrees to refrain from any attempt to investigate actual or suspected forecaster misconduct. In the unlikely event that the client learns of information or circumstantial evidence which suggests forecaster misconduct, the client agrees to report such information or evidence to Valmarpro Forecasting for further investigation or disciplinary action. If the client is unwilling to trust that Valmarpro Forecasting will act competently and impartially, the client may negotiate with Valmarpro Forecasting to appoint (at the client's expense) a neutral third party to conduct investigations and/or recommend disciplinary actions.

14. Additional Forecasts. Valmarpro Forecasting reserves the right to elicit additional information and forecasts from the forecasters, where such information and forecasts are related to the forecasters, the forecasting task, and/or the forecast(s) requested by the client. Such information may be needed to assure the validity of the forecasts and to help improve future forecasts. The client agrees to permit Valmarpro Forecasting to use a portion of the Fixed Total Compensation to elicit such information and additional forecasts from the forecasters.

15. Scientific Research. The preliminary information given to forecasters and the forecasts and information provided by forecasters are potentially useful for purposes of research. The client agrees to permit the use of all such information for practical, scientific, and historical research. Prior to five years after submission of a forecast, access will be confidential. After five years, all but truly confidential information will be given public access. Information will be considered truly confidential only if there is a genuine national security concern, a genuine technical trade secret, or a genuine privacy interest of individuals involved. Information will not be considered truly confidential merely because disclosure might expose a client to potential legal liability or other embarrassment.

16. Storage Costs. A copy of all information which is provided by Valmarpro Forecasting to the forecasters will be stored by

Valmarpro Forecasting or a neutral third party. This includes all information pertaining to the forecast which is given to the forecasters, whether provided by the client, by Valmarpro Forecasting, or by any other party. As part of its contract, the client agrees to pay seven years worth of storage costs. The client also agrees to permit Valmarpro Forecasting to donate any stored information to be archived with any academic or nonprofit library or research institute, subject only to the restrictions on confidentiality.

17. Royalties. The client agrees to pay royalties on the use of any forecasting incentives method which is covered by the Lundgren forecasting incentives patent(s). The royalty will be charged as a percentage of the Fixed Total Compensation of forecasters. To the extent that the client is entitled to a return of all or any part of the Fixed Total Compensation, the corresponding portion of the royalties will also be returned.

LIMITED LIABILITY

18. No Warrant. Valmarpro Forecasting makes no warrant that the forecasters selected will be the best possible forecasters. Valmarpro Forecasting also makes no warrant that the individual forecasts and/or aggregated forecasts are the best possible given the information and time available.

19. Forecaster Right of Refusal. Prior to accepting a contract, Valmarpro Forecasting must agree that the Fixed Total Compensation allotted for forecasters appears reasonable, in light of the effort level which is required to generate sensible forecasts. Additionally, after acceptance of a contract by Valmarpro Forecasting, the contract is subject to cancellation or renegotiation if several forecasters refuse the contract terms as unreasonable, or if qualified forecasters cannot be found. In such event, Valmarpro Forecasting is not liable for any damages to the client or any third party as a result of delay or failure to render the desired forecast. If the client is unwilling to renegotiate the compensation of forecasters, Valmarpro Forecasting will return any monies paid by the client, after deducting costs incurred.

20. Late Forecasts. Where the failure to render an on-time forecast is due to the lateness of forecasters, the penalty to Valmarpro Forecasting shall be no greater than the contract penalties imposed on forecasters. Where the failure to render an on-time forecast is due to delay caused by Valmarpro Forecasting because of failure promptly to aggregate the forecasts or failure promptly to transmit the aggregate forecasts, the penalty shall not be higher than the Fixed Total Compensation of forecasters plus royalties (which penalty must be collected from Valmarpro Forecasting, Inc., not from Forecasting Payments, Inc.). If the delay is due to the failure or disruption of normally reliable and relied-upon means of communication, neither Valmarpro Forecasting, nor its affiliates, nor any forecaster shall be held

liable.

21. Missing Forecasts. In a situation where one or more forecasters fails to render the forecast(s) which such forecaster(s) contracted to render, the sole remedy for the client shall be the return of a portion of the Fixed Total Compensation and a proportionate portion of any associated overhead or royalty payment. This portion shall be the ratio of the Limits on Forecaster Effort for the missing forecasts to the sum of the Limits on Forecaster Effort of all the contracting forecasters. If all forecasts are missing, or if the number of nonmissing forecasts falls below a contractually determined minimum number, Valmarpro Forecasting will return any monies paid by the client, after deducting costs incurred. Payments held by Forecasting Payments, Inc. on behalf of properly performing forecasters will not be returned.

A forecast which is subject to an underweight penalty fee due to underweight precision shall be regarded as partly missing in the following proportion:

If $F=0$, then $P=1$;
If $0 < F < L/4$, then $P=1-4F/L$;
If $F \geq L/4$, then $P=0$;

where F =Forecaster effort, L =Limit on forecaster effort, and P =Proportion missing.

22. Client Holds Harmless. The client agrees to hold Valmarpro Forecasting and its affiliates harmless from any claim of damage brought by the client or any other party, due to the inaccuracy of any estimate or forecast, regardless of whether it can be shown that another forecast was better, and regardless of whether it can be shown that a different procedure could have or would have lead to a better forecast. Aside from the remedies and penalties specified above or by contract, the client agrees to hold Valmarpro Forecasting and its affiliates harmless from any claim of damage brought by the client or any other party, due to the lateness, nondelivery, nonexistence, or unsatisfactory nature of any estimate or forecast.

23. Forecasters Held Harmless. In the event of a lawsuit or legal or administrative proceeding between the client and Valmarpro Forecasting or its affiliates, or by a third party against Valmarpro Forecasting, its affiliates, and/or the client, or by the client against any third party or by the client before any government agency, resulting from or related to any forecast requisitioned by the client, the client shall hold the forecasters harmless. In the event of such proceeding, the client shall pay all reasonable out-of-pocket costs plus reasonable compensation for forecaster time incurred in assisting such proceedings. The client is not obligated to compensate any forecaster properly charged with misconduct.

SECURITY OF INFORMATION

24. Confidentiality. Information provided to forecasters which the client regards as confidential shall be clearly marked as such. Forecasters are expected to remain anonymous and to use ordinary care to prevent the unauthorized use or copying of confidential information.

25. Additional Security Measures. To the extent that the client desires additional physical security measures to assure confidentiality of information provided to forecasters, the client shall pay for such security measures.

26. No Onerous Contracts. Valmarpro Forecasting will not accept contracts which place an onerous burden of confidentiality on forecasters, wherein the burden consists of restrictions on future employment or forecasting opportunities for the forecasters.

27. Alternative Security Measures. Forecast-relevant information which is confidential may not need to be divulged to forecasters, if there is a way to incorporate the information into the forecast without divulging the information to forecasters. Though not recommended under ordinary circumstances, it may also be possible to use trusted employees of the client to make forecasts using the confidential information. Valmarpro Forecasting is willing to discuss or recommend appropriate arrangements for handling sensitive information.

OTHER OPTIONS

28. Inside vs. Outside. Clients have the option of using inside forecasters (individuals already employed by the client), rather than outside forecasters (those contracted through an intermediary, such as Valmarpro Forecasting). It is normally recommended that only outside forecasters be used with the Lundgren forecasting incentives method, since the use of inside forecasters may result in forecaster selection problems, information provision problems, incentive problems, and collusion problems. Potential clients who seek to use the Lundgren forecasting incentives method on inside forecasters must obtain advance permission from either Valmarpro Forecasting, Inc. or Forecasting Patents, Inc., and must pay royalties on any such use. Valmarpro Forecasting will not compete inside forecasters against outside forecasters for shares of the same Fixed Total Compensation.

29. Bonded vs. Unbonded. Clients may request that forecasters be either bonded or unbonded. An unbonded forecaster does not agree to pay for negative earnings, except as an offset to positive earnings on other forecasts. A bonded forecaster posts a bond to pay for such negative earnings. Bonded forecasters are likely to cost more and may not be available in adequate numbers.

Unbonded forecasters may be prone to opportunistic behavior in the form of "guessing." If unbonded forecasters are used, it is recommended that at least five forecasters be requisitioned, so that outlier analyses can be performed on the forecasts.

30. Delphi Method. In situations where the most appropriate models or methods of analysis of a given forecasting task are not already known, the client may wish to consider using a Delphi procedure in conjunction with the forecasting incentives. The Delphi method requires that the same forecast or method be elicited more than once, and that forecasters provide explanations of their analyses between elicitations.

31. Testimony. If the client anticipates or foresees the likelihood of the need or desirability of sworn testimony from the officers or employees of Valmarpro Forecasting, or of any or all forecasters in the forecasting task, the client shall specify such contingency in the contract and set forth terms of intended compensation. Forecasters cannot be assured anonymity after giving testimony, but their anonymity will be otherwise preserved by Valmarpro Forecasting to the maximum extent possible in accordance with the normal business policy of Valmarpro Forecasting.

BUSINESS REFUSED

32. Collusion. Valmarpro Forecasting will not knowingly accept any forecast contract which has the intent or effect of facilitating collusion or any other antitrust violation.

33. Gambling. Valmarpro Forecasting will not accept any contract for any forecast or estimate which is of no social use, and for which the primary private use is that of a gamble, lottery, bet, or wager, or to facilitate the same.

34. Religion. Valmarpro Forecasting will not accept any contract for the prediction or estimation of religious or supernatural events or entities.

35. Unethical Appearance. Valmarpro Forecasting will not knowingly accept any contract which is illegal or unethical, which has the appearance of being illegal or unethical, or which would otherwise tend to sully the reputation of Valmarpro Forecasting.

POLICY REGARDING FORECASTERS

GENERAL

1. Contracts with Forecasters. The term "forecaster" refers to any individual or firm which contracts with Valmarpro Forecasting, Inc. to provide any forecast or estimate. Unless otherwise specified by contract, this statement of business policy regarding forecasters governs all contracts between Valmarpro Forecasting, Inc. and any forecaster. This business policy may be revised from time to time.

2. Competence. Forecasters will be recruited to the various forecasting tasks based on presumed competence, ethics, and willingness to work for reasonable compensation. Nonmerit grounds of forecaster selection may include previous experience or work with or loyalty to Valmarpro Forecasting, immediate economic need (such as unemployment), or a choice by Valmarpro Forecasting to provide a steady stream of forecasting tasks to a limited number of full-time forecasters. Forecasters will otherwise be drawn at random, with due regard to avoiding possible conflicts of interest, without preference, favoritism, or discrimination on any other nonmerit grounds.

3. Independence. Forecasters are independent contractors, not employees. Any forecaster may refuse any forecasting task for any reason. However, consistent unexplained refusals to accept forecasting tasks may be grounds for dropping a forecaster from the forecaster pool. As much as possible, forecasters will be selected for tasks with due regard for their expressed specialties, interests, and constraints.

4. Collaboration. If they so choose, forecasters may work for or form forecasting firms or partnerships, or engage in less formal collaboration. In cases where individual forecaster(s) work for a forecasting firm or partnership, it shall be made clear by contract whether compensation is to be paid to or through the firm or partnership, whether compensation is to be paid directly to the individual forecaster(s), or some combination of these two methods.

All intended collaboration between forecasters must be reported to Valmarpro Forecasting prior to undertaking the forecasting task. All collaboration, whether witting or unwitting, must be disclosed to Valmarpro Forecasting as soon as possible.

For purposes of computing compensation, all forecasters within a forecasting firm or partnership or other group of collaborators will be treated as if they were a single forecaster. It will be up to the collaborators to decide how to split up the compensation amongst themselves. If the collaboration was unwitting, or if the collaborators make no agreement on splitting the proceeds, Valmarpro Forecasting will make a determination.

5. Responsibility. Each forecaster is expected to provide for his/her own equipment and work materials and to compute and pay his/her own taxes. Each forecaster is expected to obtain legal access to any computers, software programs, or library resources which may be needed for completion of his/her tasks. Each forecaster agrees to accept full legal responsibility and liability for his/her own actions, debts, and expenses which may be incurred as part of a forecasting task. If a forecaster foresees that a particular forecasting task cannot be completed with his/her available time and resources, Valmarpro Forecasting shall be informed at once.

6. Disclosure of Conflicting Interest. Prior to accepting a forecasting task, a forecaster shall disclose to Valmarpro Forecasting any motive or incentive which might conflict with rendering an honest and unbiased forecast. If such conflicting incentive or motive arises after the task has already been accepted, begun, or completed, disclosure to Valmarpro Forecasting shall be made as soon as possible thereafter.

7. Forecaster Anonymity. Forecasters are to remain anonymous from both the client and each other. Forecasters shall make no attempt to obtain the identities of the other forecasters assigned to any particular forecasting task, nor attempt to identify themselves to others as having been assigned to any particular forecasting task, unless required to do so by law or to obtain a lawful remedy.

Each forecaster shall report to Valmarpro Forecasting any incident wherein a forecaster or other person identifies himself or herself as a forecaster assigned to any particular forecasting task. Each forecaster shall also report to Valmarpro Forecasting any incident wherein a forecaster, client, or other person attempts to determine whether the forecaster is assigned to any particular forecasting task.

8. Limitations on Anonymity. Forecaster anonymity is no longer obligatory with respect to forecasting tasks which the forecaster has already completed, if the forecaster is no longer performing tasks of a similar nature for similar clients and is willing to forego the opportunity of doing so for a period of two years. Forecaster anonymity is also not obligatory with respect to forecasting tasks which were completed more than five years previously.

Forecaster anonymity is a business policy adopted by Valmarpro Forecasting to help ensure the integrity of its procedures in eliciting independent forecasts. The policy does not create a forecaster "right of privacy" with respect to the identity of forecasters, the projects worked on, or amounts paid. Such information will normally be treated confidentially by Valmarpro Forecasting for a period of five years; however, Valmarpro Forecasting accepts no liability to any forecaster for the accidental or intentional release of such information before five years.

9. Ethics. All forecasters are expected to adhere to the "Forecaster Code of Ethics," which requires honesty, confidentiality, no conflict of interest, and no collusion. Forecasters determined to have engaged in unethical behavior will be subject to possible disciplinary action, including (but not necessarily limited to) suspension from the forecaster pool and termination or nonpayment of any or all forecasting contracts, including contracts upon which work has already been commenced or completed. Depending on the nature of the offense, unethical forecasters may also be subject to civil suits or reported to government officials for possible criminal investigation or prosecution.

10. Due Process. Forecasters who stand accused of unethical conduct, or conduct in violation of business policy, will be accorded due process rights to clear their name of any unfair taint. Prior to instituting disciplinary action, Valmarpro Forecasting will inform the accused forecaster of any allegation brought by itself, another forecaster, a client, or other party, so that the forecaster will have an opportunity to deny, explain, or defend against such allegation.

CODE OF FORECASTER ETHICS

11. Honesty. Forecasters shall render honest forecasts as objectively as possible, regardless of any other pecuniary or nonpecuniary incentive or motive which may tempt otherwise. Forecasters shall not deliberately bias their forecasts, unless such bias is dictated by the nature of the loss function.

12. Diligence. Forecasters shall work diligently to analyze and evaluate relevant information before providing a forecast. Forecasters shall honestly report the effort made and the expected precision of their forecasts. Forecasters shall avoid mere guessing, and shall report a forecast as having little or no precision, if little or no effort was made to develop the forecast.

13. No Conflict of Interest. Forecasters shall disqualify themselves from performing any forecast which creates a significant conflict of interest, due to any previously incurred pecuniary or nonpecuniary interest or motive. Forecasters shall avoid incurring any pecuniary or nonpecuniary interest or motive subsequent to rendering a forecast, which would create the appearance of a conflict of interest.

14. Collaboration Without Collusion. Forecasters who collaborate on any forecast must report their collaboration prior to issuing their forecasts. Forecasters who share information with regard to any forecast, even unwittingly, with another forecaster assigned to the same forecasting task, prior to issuance of the forecast, must report such incident as soon as it becomes known to the forecaster that the other forecaster was assigned to the same forecasting task. Collusion which has the

intent or effect of biasing the forecast, extracting higher pay, or interfering with the pay or forecasts of others is strictly forbidden.

15. Confidentiality. Forecasters will take ordinary care to ensure that information and materials marked "confidential," or which are known to be confidential, do not become seen or used by unauthorized persons. Confidential materials will be returned or destroyed after use, depending on contract terms. Confidential information and materials will not be used for any purpose other than the rendering of forecasts, or other authorized purposes. If the contract requires that the forecast be kept confidential, the forecaster shall keep the forecast confidential unless otherwise compelled by law.

16. No Disrepute. Forecasters shall refrain from any speech or action which would cause the appearance of a conflict of interest, or any other violation of forecaster ethics. Forecasters shall refrain from any speech or action which would cause disrepute to the forecast or forecasting task, either actually or potentially if the speech or action became widely known. Forecasters shall report known or suspected ethical violations by forecasters or other individuals associated with the forecasting task.

FORECASTER BONDING

17. Positive and Negative VMP. As a practical matter, most forecasters will earn positive VMP on some forecasts and negative VMP on other forecasts. If we assume that most forecasters have positive expected VMP on most forecasts, this means that most forecasters will earn positive earnings on average.

18. Bonding Options. Forecasters may choose to be either bonded or unbonded. Unbonded forecasters may be excluded from some forecasting tasks.

19. Bonded Forecasters. A fully bonded forecaster must post a bond equal to twice the value of the submitted precision weight of the forecast. If the forecaster earns negative earnings, the bond will be forfeited up to the value of the negative earnings. The bond may be posted by the forecaster or by a third party.

20. Unbonded Forecasters. Unbonded forecasters must demonstrate competence in their specialty, must not have a significant record of negative earnings or apparent guessing in the forecasting task, and must not have a record of lazy or dishonest conduct. The earnings on several forecasts by the same unbonded forecaster will be combined, so that negative earnings on some forecasts will be deducted from positive earnings on other forecasts. If the net earnings are still negative, the unbonded forecaster will not be charged, but may be dropped from the pool of forecasters.

21. Outlier Analysis. Forecasts submitted by unbonded forecasters may be subject to outlier analysis to prevent mere guessing. Valmarpro Forecasting reserves the right to reduce the precision weight on any unbonded outlier forecast. A fully bonded forecast will not be subject to reduction of the precision weight due to outlier analysis, unless requested by the forecaster.

NORMAL TERMS OF FORECASTING CONTRACTS

22. Risk Reduction. Valmarpro Forecasting intends to formulate contracts with forecasters and clients in such a way that the risks of the VMP incentive scheme are minimized, but without detracting from the incentives. These risk-reducing contract terms include: Limits on forecaster effort, Fixed total compensation, Maximum SD of compensation, and Loss limits on negative compensation.

23. Limits on Forecaster Effort. Forecasting contracts will normally include limits on forecaster effort. The limit on forecaster effort will be defined in monetary terms. Each forecaster will be expected to assess the value of his/her time and other costs and to report the total to Valmarpro Forecasting. This total is the forecaster effort. The limit on forecaster effort may be the same, or may be different, for each forecaster. Forecasters may choose to provide effort above, below, or equal to this limit. If a forecaster provides effort above the limit, or substantially below the limit, there is a graduated scale of reduced compensation.

24. Fixed Total Compensation. Forecasting contracts will normally require the client to pay a fixed amount for total forecaster compensation, prior to eliciting forecaster efforts on behalf of a forecasting project. That is, the client will put up a pool of money in advance, which will pay for forecasters' compensation. This pool of money will be held by Forecasting Payments, Inc. and allowed to earn interest or other return. The monies held by Forecasting Payments, Inc. will only be used to pay forecasters (unless returned to the client, in whole or in part, if forecasts are not rendered). Pay to each forecaster from the pool of money will differ, depending on individual success in prediction, as computed by an appropriate VMP formula. The sum of payments from the pool of money will exhaust the value of the project's account (including any applicable interest or other return).

25. Maximum SD of Compensation. Forecasting contracts will normally include a limit on the maximum allowed standard deviation of compensation. If the standard deviation exceeds this limit, the variance of forecaster compensation will be proportionately reduced about its mean, in accordance with a contractually determined formula. Depending on circumstances, the client may be advised that, in future, more forecasters should be hired and/or a higher limit placed on forecasting

efforts.

26. Loss Limits on Negative Compensation. Forecasting contracts will normally include a limit on negative compensation which may be earned by any one forecaster in the forecasting task. Negative VMP in excess of the negative earnings limit will not be assessed against the individual forecaster, but will instead reduce the positive earnings of other forecasters in the same task. Excess negative VMP, even though not assessed as additional negative earnings, will be considered when determining whether forecasters should be dropped from the forecaster pool.

27. Recognition of Bounded Rationality. Valmarpro Forecasting recognizes that some forecasters may have difficulty understanding some of the theoretical constructs used in the proofs which demonstrate certain incentive properties of the forecasting incentive method. In addition, Valmarpro Forecasting recognizes that most forecasters will have psychological limitations which prevent the intuitive emulation of certain theoretical constructs used to predict "rational" forecaster behavior, even where the theoretical constructs are fully understood on an intellectual level. In particular, most forecasters will have difficulty estimating the correct level of precision of their forecasts, and many forecasters will have difficulty correctly conditioning their forecasts on the aggregate level of forecaster effort or aggregate precision.

28. Use of Forecaster Effort as Precision Weights. To help overcome the problem of bounded rationality (or limited capabilities of the human intuition), precision weights for aggregating forecaster predictions will not be based on forecaster estimates of forecaster precision. Instead, the precision weights will be based on the forecasters' estimates of the monetary value of the time, effort, or cost of the forecast, with possible adjustment by each forecaster (up or down) to reflect deviations from normal forecasting effectiveness which a forecaster perceives in the particular forecasting task. This estimate of the value of forecaster efforts (or some function thereof) will be used as the precision weight for weighting forecaster predictions when computing the collective forecasts and secondary collective forecasts.

29. Optional Submission of Contingent Prediction Functions. Forecasters are encouraged to submit contingent prediction functions (if they are able), but are not required to so. If contingent prediction functions are submitted, they must be submitted in a form which makes sense, and which allows Valmarpro Forecasting to obtain a definite prediction when substituting suitable values (including infinity) of the aggregate precision weight into the contingent prediction function. Valmarpro Forecasting reserves the right to substitute alternative functional forms and/or specific definite predictions in place of any submitted prediction functions, if Valmarpro Forecasting determines that a submitted functional form is unreasonable or

appears conducive to collusion. Valmarpro Forecasting also reserves the right to replace definite predictions with reasonable contingent prediction functions.

30. Flexibility in Calculating VMP. There are a variety of ways in which forecaster VMP can be estimated, depending on the choice of a criterion value and the choice of a set of forecasters against which VMP is calculated. For example, the criterion value can be a future observation or a future estimate of the variable to be predicted. The criterion value can also be a contemporaneous criterion estimate, which is based on the predictions submitted by other forecasters. Valmarpro Forecasting reserves the right to use any or all of these methods, or any combination of methods, to compute forecaster VMP on any contract.

31. Independent Criterion Values. Valmarpro Forecasting will choose criterion values and compute forecaster VMP without regard to the gains or losses which may accrue to particular forecasters, and with no discrimination or favoritism among forecasters based on any nonmerit grounds. Valmarpro Forecasting will also choose criterion values and compute forecaster VMP independently of any expressed wishes of the client regarding the preferred values of the forecast or estimate. Valmarpro Forecasting will not accept estimates or predictions submitted by the client as suitable for use as criterion values for computing forecaster compensation.

32. Time of Payment. Unless otherwise specified by contract, Valmarpro Forecasting will normally compute forecaster VMP based on criterion values or criterion estimates observed within fifteen months of the initial forecast. Payments on all contracts pertaining to a particular forecaster, which are computed within a given three-month period, will be cumulated and paid on a quarterly basis. If suitable VMP values cannot be calculated, Valmarpro Forecasting will substitute an equitable non-VMP calculation of forecaster pay. After computing the amounts due to each forecaster, Valmarpro Forecasting, Inc. will direct Forecasting Payments, Inc. to make the necessary payments.

FORECAST DELIVERY

33. Forecast Delivery Methods. The contract may require any one or more delivery methods. In particular, the contract may require delivery by internet, fax machine, or mail. Also, the contract may require that forecasts be delivered either in plain-text form or in encrypted form. A computer program will be provided which formats the plain-text forecasts and which allows the encryption of forecasts, given plain-text input.

34. Forecast Internet Delivery. Whenever required (or permitted) by contract, computer files containing the plain-text and/or encrypted forecasts must (or may) be sent to the specified internet address by the contract date and time.

35. Forecast Fax Delivery. Whenever required (or permitted) by contract, pages containing the plain-text and/or encrypted forecasts must (or may) be sent by facsimile (fax) machine to the specified fax number by the contract date and time.

36. Forecast Mail Delivery. Whenever required (or permitted) by contract, pages or computer files containing the plain-text and/or encrypted forecasts must (or may) be sent by overnight mail to the specified mailing address. Mailed forecasts must arrive by the next business day--defined as Monday through Friday, except for United States mail holidays. Forecasts delivered from within the United States must be placed in the mail on the contract date in time to be delivered the next business day. Forecasts delivered from outside the United States must be mailed in time to arrive at the business address in the United States by the next business day from the contract date.

PENALTY FEES

37. Late Forecasts. Unless otherwise provided by contract, late forecasts will be charged a per-day penalty fee equal to the greater of \$100 or 10% of the forecaster effort level submitted as a precision weight by the forecaster, up to a maximum of five business days late (greater of \$500 or 50% of forecaster effort level). Forecasts more than five business days late will not be accepted. If a forecaster intends to submit no forecast, the forecaster shall inform Valmarpro Forecasting by the contract date to avoid the late forecast penalty fee.

38. Inequitable Forecasts. If a forecast is late, and if significant new information has arrived between the time the on-time forecasters submitted forecasts and the time the late forecaster submitted forecasts, then payment of the late forecast(s) may be inequitable. If Valmarpro Forecasting determines that payment of one or more late forecasters would be inequitable, then the late forecast penalty fee shall be assessed as if no forecast were issued (i.e., \$100 per day up to maximum of \$500) and no payment of positive earnings or assessment of negative earnings shall be made on that contract for that forecaster. In the event that one or more forecasts is late, the other forecasters will be informed of the fact, and asked to comment on whether they believe that payment or assessment of earnings would be inequitable.

39. Monetary Precision Weights. The monetary estimate of the forecaster effort shall be provided as a nonnegative dollar amount using United States currency values. A penalty fee of 5% of the reported forecaster effort will be assessed on precision weights reported as foreign currency values. Foreign currency reports will be accepted only if published free-market exchange rates are readily available. Otherwise, the assumed precision weight will be set equal to the forecaster effort limit, and a penalty fee of 20% of the assumed precision weight will be assessed.

40. Misreported/Unreported Precision Weights. If the precision weight is misreported as a negative or imaginary value, the assumed precision weight will be set equal to a positive real number having the same absolute value, but not greater than three times than the forecaster effort limit. If the precision weight is unreported or is illegible, the assumed precision weight will be set equal to the forecaster effort limit. In these cases, a penalty fee of 20% of the assumed precision weight will be assessed.

41. Underweight Precision Weight. If a forecaster submits a precision weight having dollar value less than 25% of the forecaster effort limit, then an underweight penalty fee will be assessed according to the following formula:

If $F=0$, then $P=L/8$;
If $0 < F < L/4$, then $P=L/8 - (1/2)F$;
If $L/4 \leq F \leq L$, then $P=0$;

where F =Forecaster effort, L =Limit on forecaster effort, and P =penalty. A forecaster who reports that no forecast is submitted will be assessed a penalty fee of 12.5% of the forecaster effort limit, the same as if a forecast with zero precision ($F=0$) had been submitted. If a contract report is submitted wherein the forecast is missing or illegible, a penalty fee of 15% of the forecaster effort limit will be assessed.

42. Overweight Precision Weight. If a forecaster submits a precision weight having dollar value greater than the forecaster effort limit, then an overweight penalty fee will be assessed according to the following formula:

If $F=L$, then $P=0$;
If $L < F < 2L$, then $P=(1/3)(F-L)$;
If $F=2L$, then $P=L/3$;
If $2L < F < 3L$, then $P=L/3 + (2/3)(F-2L)$;
If $F \geq 3L$, then $P=L$;

where F =Forecaster effort, L =Limit on forecaster effort, and P =penalty. If $F > 3L$, the precision weight will be treated for all forecasting, VMP, earnings, and penalty computation purposes as if $F=3L$.

43. Penalty Fees. Penalty fees are cumulative. All late penalty fees assessed against forecasters are due and payable to Valmarpro Forecasting within two weeks of the contract date. Valmarpro Forecasting will forward the late penalty fee to the client after it is collected (or keep the fee, if the client was already paid). All precision weight penalty fees are assessed against the forecaster's potential net income. The assessment of precision weight penalty fees against some forecasters will add to the assets available to other forecasters. The precision weight penalty fees will not be paid to Valmarpro Forecasting, its affiliates, or any client.

POLICY REGARDING PROMOTERS

GENERAL

1. Contracts with Promoters. The term "promoter" refers to any individual or firm which contracts with Valmarpro Forecasting, Inc. to act as a representative of Valmarpro Forecasting to market, promote, and sell the use of the Lundgren forecasting incentives method to potential clients. Unless otherwise specified by contract, this statement of business policy regarding promoters governs all contracts between Valmarpro Forecasting, Inc. and any promoter. This business policy may be revised from time to time.

2. Termination at Will. The contractual relationship between Valmarpro Forecasting and any promoter is terminable by either party at any time, for any reason or for no reason. Termination by Valmarpro Forecasting (unless for misconduct of the promoter) will not affect the potential compensation of promoters for work already performed prior to the termination.

3. Independence. Promoters are independent contractors, not employees. Promoters are paid on a commission basis, not a salary or fixed fee. Each promoter is expected to provide for his/her own equipment and work materials and to compute and pay his/her own taxes. Each promoter agrees to accept full legal responsibility and liability for his/her own actions, debts, and expenses which may be incurred as part of his/her promotional activities.

COMPENSATION

4. Passive Promotion. An individual, not otherwise under contract as a promoter, who provides information or a recommendation to a potential client, which results in the client using the services of Valmarpro Forecasting, is a passive promoter. A passive promoter who requests recompense, will be paid a passive promotion fee in the amount of 2% of the first year's gross revenues obtained from the client, plus 1% of the second and third years' gross revenues, but in no event more than \$2,000. To be compensated, the passive promoter must provide credible evidence that his/her actions resulted in Valmarpro Forecasting obtaining the client's business. In the absence of client contact, Valmarpro Forecasting may, at its own discretion, pay a passive promotion fee with respect to a limited number of reasonably sound leads provided by a passive promoter directly to Valmarpro Forecasting.

5. Active Promotion. Only individuals and firms which are under contract with Valmarpro Forecasting to act as promoters are entitled to any recompense which is due to active promoters. A contractual promoter, who engages in activities which result in a client using the services of Valmarpro Forecasting, is an active promoter with respect to that client. An active promoter will be

paid an active promotion fee in the amount of 10% of the first year's gross revenues obtained from the client, plus 5% of the second and third years' gross revenues, but in no event more than \$200,000 per client. To be compensated, the active promoter must provide credible evidence that his/her actions resulted in Valmarpro Forecasting obtaining the client's business.

6. Fee Sharing. If more than one individual qualifies as a passive promoter to the client, the passive promotion fee will be shared among the passive promoters in a manner which Valmarpro Forecasting regards as most equitable. If more than one contractor qualifies as an active promoter to the client, the active promotion fee will be shared among the active promoters in a manner which Valmarpro Forecasting regards as most equitable. If both a passive promoter and an active promoter qualify for a fee, Valmarpro Forecasting will determine the equitable basis for fee payment to each party; any fees paid to the passive promoter(s) will reduce the fees payable to the active promoter(s).

7. Promotional Costs. All reasonable out-of-pocket promotional costs incurred by a promoter which are not chargeable as nonpromotional costs to any client, may be collected by the promoter from any client from which the promoter can claim an active promotion fee. Such costs may be collected at the rate of 10% of the first three years' gross revenues obtained from all such clients, but in no event more than three times the amount of the expenses incurred. In the event that two or more promoters qualify for cost-recovery from the same client, the 10% rate of collection shall be divided in the same proportion as the active promotion fees are being collected. Out-of-pocket expenses will not be considered reasonable, if they bear no relation to the promotional task, if they are exorbitant or disproportionate, or if they would not be tax-deductible as business expenses.

9. Shifting of Promotional Costs. One promoter may pay for the promotional costs of a second promoter in exchange for the cost recovery that would otherwise be due to the second promoter. Such exchange shall be by the mutual consent of both promoters and of Valmarpro Forecasting. Valmarpro Forecasting may also agree with a promoter to pay all or part of the promotion costs as they are incurred. A promoter will be entitled to triple cost recovery only on those promotional costs which were not otherwise paid for by a second promoter or by Valmarpro Forecasting.

10. Fee Nonpayment. The promotion fees will not be paid under circumstances where payment would be illegal or unethical, or would appear unethical (e.g., the "promoter" is the client's decision maker).

11. First Year Defined. The first year for calculating a passive promoter's fees begins on the last day on which the passive promoter provided the information or recommendation to the future client, prior to Valmarpro Forecasting obtaining the

client's business. The first year for calculating an active promoter's fees begins on the last day on which the active promoter engaged in an authorized action of active promotion, prior to Valmarpro Forecasting obtaining the client's business.

TERRITORIES

12. Territories. Each promoter shall choose a territory or territories within which to actively promote the services of Valmarpro Forecasting. Territories may be defined by a geographical region, a conceptual category, or a list of potential clients.

13. Territory claims. A territory belongs to the first promoter authorized to work the territory; no other promoter may be assigned to work the same territory at the same time, except by mutual consent of the promoters. Valmarpro Forecasting will resolve any disputes regarding territorial boundaries and territorial assignments. Valmarpro Forecasting reserves the right to assign some territories on an overlapping basis to two or more promoters; in such event, a client belongs to the first promoter who reports having worked such client.

14. Territory Reassignment. Valmarpro Forecasting may reassign all or part of a territory of one contractual promoter to another contractual promoter, if Valmarpro Forecasting believes the second promoter can work the territory better than the first promoter. Valmarpro Forecasting may de-assign all or part of a territory, if Valmarpro Forecasting believes that the territory is not being actively worked in a satisfactory manner.

15. Territory Jumping. If one contractual promoter actively works the territory of a second contractual promoter, the first promoter shall be entitled to no more than 20% of the active promotion fees pertaining to any client within the territory of the second promoter. This stricture does not apply if the territory was not assigned to the second promoter at the time it was worked by the first promoter, or if the territory belonged (either inadvertently or by mutual consent) to both promoters at the time it was worked.

16. Lead Sharing. Any leads obtained by one promoter to potential clients located in the territory of a second promoter shall be promptly reported by the first promoter to both Valmarpro Forecasting and the second promoter.

DUTIES

17. Activity Reports. Each promoter shall report his/her promotional activities on a monthly basis. The monthly reports are due by the 15th day of the next month. Each promoter shall provide a computer-readable file of all activities performed, including names, addresses, and telephone numbers of all potential clients contacted, new leads generated, time spent,

expenses incurred, and a summary of all responses. A brief written summary shall also accompany the computer file.

18. Duty of Loyalty. Promotional activities on behalf of Valmarpro Forecasting are for the benefit of Valmarpro Forecasting. The promoter shall not intermix unrelated concerns of a political, religious, personal, business, or other nature in any manner which conflicts with the promotion of legitimate business, or which causes a business loss to Valmarpro Forecasting. Information obtained from promotional activities is the proprietary information of Valmarpro Forecasting, and it shall not be sold or given away by the promoter or used by the promoter for any other purpose.

19. No Misrepresentation. The promoter shall not misrepresent to any client that Valmarpro Forecasting will provide to the client anything other than a completely independent and unbiased forecast, or otherwise misrepresent Valmarpro Forecasting. The promoter shall not attempt to promote any business or contract which clearly violates the business policy of Valmarpro Forecasting.

NONPROMOTIONAL TASKS

20. Forecasting Activities. To avoid conflict of interest, a promoter may not act as a forecaster with respect to any client within his/her territory. If qualified to do so, promoters may act as forecasters with respect to other clients of Valmarpro Forecasting.

21. Private Seminars. At the request of a potential client, the promoter may hold private seminars to explain the Lundgren forecasting incentives method, to explain the procedures of contract negotiation, and to explain the procedures related to forecast preliminaries.

22. Contract Negotiations. Unless forbidden to do so, a promoter may enter into preliminary and provisional negotiations to discuss the terms of a possible contract between the client and Valmarpro Forecasting. Any negotiated document is subject to the final approval of Valmarpro Forecasting, which may choose to reject or completely renegotiate any proposed contract terms.

23. Forecast Preliminaries. If qualified to do so, and if the client agrees, promoters may provide certain services pertaining to forecast preliminaries. The satisfactory performance of such forecast preliminaries is subject to the approval of Valmarpro Forecasting, which may require additional preliminary work prior to soliciting forecasts.

24. Nonpromotional Time. All time spent by promoters in the above-mentioned private seminars, contract negotiations, and forecast preliminaries, shall be charged to the client at a rate agreed upon between the promoter and Valmarpro Forecasting. Part

of the charge is for the overhead and profit of Valmarpro Forecasting; the remainder is for the promoter.

25. Nonpromotional Costs. All out-of-pocket expenses of promoters in the above-mentioned private seminars, contract negotiations, and forecast preliminaries, shall be charged to the client at cost, plus a mark-up charge for the overhead and profit of Valmarpro Forecasting.

POLICY REGARDING OTHER ACTORS

1. General Promotion. Valmarpro Forecasting may appoint a general promoter with duties to plan general promotion activities and to supervise the progress of other promoters. The compensation of general promoters will be determined separately from the compensation of promoters with assigned territories.

2. Client-Maintenance Activities. Client maintenance refers to any activity intended to service or encourage repeat business from clients who have already done business with Valmarpro Forecasting. Compensation for the time and costs associated with client maintenance activities will be determined separately from the compensation associated with promotional activities.

3. Third Party Bonders. Firms or individuals who wish to provide third-party bonds on behalf of forecasters should contact Valmarpro Forecasting with an indication of their interest. Prior to doing business with forecasters, such third-party bonders shall provide a written statement of their policies and procedures, including fees and other terms and conditions.

4. Confidential Advice. From time to time, Valmarpro Forecasting may request the advice of economic and statistical consultants on such subjects as appropriate loss functions, incentives, aggregation methods, procedures for detecting or preventing collusion, or other business-related topics. All such advice provided by the consultants, and any information, data, or other trade secrets provided to such consultants are the confidential and proprietary property of Valmarpro Forecasting.

5. Consulting Firms. Valmarpro Forecasting intends to maintain friendly relations with consulting firms which normally provide forecasts or estimates in the economic, financial, statistical, or other fields. Such firms may find it useful to engage in preliminary information-gathering and modeling activities, to provide forecasters, or to refer potential clients. To avoid conflicts of interest, the same firm will not normally be permitted to provide both information-gathering and forecasters on the same project. Also, the same firm will not normally be asked to provide all or most of the forecasters on a particular project.

**APPLICATION FORM FOR ENTRY
INTO FORECASTER POOL**

Please print or type. If more space is needed, please use additional sheet(s).

Name: _____

Home Mailing Address:

Home Telephone: _____

Office Mailing Address:

Office Telephone: _____

Social Security Number: _____
or other tax identification number (please specify type).

If applicable, please list below any fax numbers, e-mail addresses, internet addresses, or other addresses or phone numbers at which you can be reached:

Preferred mode of mail contact:

_____ Home _____ Office _____ Either

Preferred mode of telephone contact:

- _____ Call home first
- _____ Call office only if business is urgent.
- _____ Call office only if home contact not possible.
- _____ Call office first
- _____ Call home only if business is urgent.
- _____ Call home only if office contact not possible.
- _____ Call home or office--makes no difference.

To maintain your place in the forecaster pool, please keep Valmarpro Forecasting, Inc. informed of any changes to the information on this form. Please be sure to fill out both sides of this form.

**REQUEST TO BE ADMITTED TO FORECASTER POOL
AS AN UNBONDED AND/OR BONDED FORECASTER**

Please print or type. If more space is needed, please use additional sheet(s).

Some clients may be unwilling to accept forecasts from unbonded forecasters. The alternative is either self-bonding or third-party bonding.

6. Do you wish to act as an unbonded forecaster on at least some forecasts?

Yes No

7. Are you willing to accept third-party bonding, and do you agree to permit Valmarpro Forecasting, Inc. to provide information about you to potential third-party bonders? (Some third-party bonders may desire additional information.)

Yes No

8. Do you have the financial capacity to self-bond, and are you willing to post bond on at least some forecasts to pay for possible negative earnings?

Yes No

AGREEMENT: I agree to abide by the Forecaster Code of Ethics and all other business policies of Valmarpro Forecasting, Inc. I agree to permit Valmarpro Forecasting, Inc. to investigate my answers to the above questions and all other information provided by me to Valmarpro Forecasting, Inc. If I have answered yes to question 7, I also agree to permit Valmarpro Forecasting, Inc. to furnish information about me to potential third-party bonders.

I also agree that if my answers to questions 9-13 are false or incomplete, or if I have otherwise furnished false information about myself, that I will not be entitled to payment on any unbonded or third-party bonded forecasting contracts; and I further agree to pay back any money which might be paid to me on any such forecasting contracts, and to compensate Valmarpro Forecasting, Inc. for the costs of collecting back any money which I refuse to pay back, including court costs and attorneys' fees.

In exchange for my honest answers to these questions, I petition Valmarpro Forecasting, Inc. to enter me into its pool of unbonded and/or bonded forecasters. I understand that Valmarpro Forecasting, Inc. is not obligated to accept me into its pool of forecasters.

Please sign and date below, and print name on reverse side:

Signature _____

Date _____

**REQUEST TO BE ADMITTED TO FORECASTER POOL
AS AN UNBONDED AND/OR BONDED FORECASTER, continued**

Please print or type. If more space is needed, please use additional sheet(s).

Name: _____

Social Security Number: _____
or other tax identification number.

9. Have you ever been convicted, imprisoned, or placed on probation for any criminal offense (except juvenile offenses) involving any form of fraud, dishonesty, embezzlement, or thievery? If yes, please provide details.

10. Have you ever been convicted in a civil court, or settled out of court to pay damages, for any civil offense involving an accusation or allegation of any form of fraud, dishonesty, embezzlement, or thievery? If yes, please provide details.

11. Have you ever been fired (including military court-martial) from any employment, quit after being told you would be fired, or left by mutual agreement, due to accusation or allegation of any form of fraud, dishonesty, embezzlement, or thievery? If yes, please provide details.

12. Are you currently under charges (either civil or criminal) for any violation of law, due to accusation or allegation of any form of fraud, dishonesty, embezzlement, or thievery? If yes, please provide details.

13. Please include photocopy of transcripts of your college and/or university courses, grades, and degrees. Please indicate: _____already provided _____enclosed _____will be provided

14. Please provide a list (including contact information) of three or more professional references who can vouch for your overall honesty, good character, and diligence. (If this information is already part of your vita or resume, please check here _____.)