

Worksheet

The Manner:

___ Calculated Professionally: We relied upon a professional with credentials in the field of accounting to determine our labor rates. We provided our accountant with our financial data that included all components necessary to calculate our rates of charge.

___ Yearly Total Labor (\$) Needed in relation to available production hours. To compute our Labor rate we took the components of our financial analysis to determine the dollar amount of Labor that was needed in order to meet our goals. This amount was then divided by the production hours that were available over the course of the year. The result was our labor rate per hour.

___ Adopted the Labor Rate of a similar business that provides similar services: To determine our Labor rate we conducted a survey of similar business that provide similar services within the same geographical area. This set of businesses was the Auto Mechanical Repair Industry. The Auto Body Repair Industry and the Auto Mechanical Repair Industry are of the same genesis. Historically they both have required similar capital investment and skill sets. History also documents that at one point in time they also shared similar labor rates.

___ Other: We determined our Labor Rate based upon the following Method:
