

Exhibit "E"



INCORPORATED
Forensic Accountants
& Litigation Consultants

November 20, 2006

Mr. Stephen L. Nordstrom
Nordstrom & Nees, P.S.
323 S. Pines Road
Spokane, WA 99206

Re: Mr. Thomas Waite

Dear Mr. Nordstrom:

I have prepared calculations of the future lost earnings and benefits for Mr. Thomas Waite as a result of the injuries he sustained on August 21, 2003. I have prepared calculations based on two alternatives identified by Mr. Anthony Choppa, M.Ed., C.R.C., C.C.M. Alternative 1 is based on Mr. Waite obtaining a Bachelor's degree in Civil Engineering compared to a post-injury position as an Engineering Technician requiring an Associate's degree. Alternative 2 is based on Mr. Waite's pre-injury earning capacity being in line with the U.S. average male with a Bachelor's degree compared to a post-injury earning capacity that is in line with the U.S. average male with an Associate's degree.

Opinions and Conclusions¹		
	<u>Civil Engineer</u>	<u>Average BA</u>
Total Lost Earnings & Benefits	<u>\$ 585,245</u>	<u>\$ 644,768</u>

Key Assumptions and Data Sources

Level of Earnings (Alternative 1) – It was indicated in the November 13, 2006 Preliminary Vocational Report prepared by Mr. Anthony Choppa, M.Ed., C.R.C., C.C.M., that Mr. Waite's intended pre-injury vocational goal was to become a Civil Engineer. Mr. Choppa has estimated an entry-level salary of \$43,679 (2005 dollars) based on Mr. Waite becoming a Civil Engineer. I have estimated that Mr. Waite would complete his Bachelor's degree and enter the workforce effective

¹ Detailed calculations are attached. All amounts are at their present values.

601 West Main Avenue, Suite 814
Spokane, WA 99201
e-mail: harperinc@qwest.net
website: www.econexpert.com
509.747.5850, FAX 509.747.5859

Mr. Stephen L. Nordstrom
Re: Mr. Thomas Waite
11/20/2006
Page 2

July 1, 2009. Earnings have been grown through 2015 at 2.5% based on the 10-year forecasted inflation rate compiled by the Federal Reserve Bank of Philadelphia. Beginning in 2016 earnings have been grown at 3.0% based on the 20-year historical consumer price index for wages. I have also included an annual merit increase of 3.7% based on Mr. Waite reaching the experienced level of earnings for a Civil Engineer after 20-years.

Mitigation Earnings (Alternative 1) – Mr. Choppa states the following in his November 13, 2006 Preliminary Vocational Report:

The nature and extent of the impairments he (Tom) experiences will prevent him from successfully competing for and performing as a Civil Engineer. Tom will be capable of working full time, but the position will require more structure and routine as a result of his ongoing cognitive impairment. Thus, it would be more likely that Tom will be employed in a position such as a Computer Drafter or Engineering Technician, as compared to his pre-injury capacity as a Civil Engineer.

Mr. Choppa has estimated a mitigation base salary of \$35,360 (2005 dollars) based on Mr. Waite becoming an Engineering Technician and Computer Assisted Design and Drafter which requires an Associate's degree. Mr. Choppa has indicated that it will likely take Mr. Waite up to 2 years longer to complete an Associate degree post-injury which is supported by the limited class load that Mr. Waite was able to maintain during his first full academic year since the injury. I have therefore estimated that Mr. Waite would complete his Associate's degree and enter the workforce effective July 1, 2009. Earnings have been grown through 2015 at 2.5% based on the 10-year forecasted inflation rate compiled by the Federal Reserve Bank of Philadelphia. Beginning in 2016 earnings have been grown at 3.0% based on the 20-year historical consumer price index for wages. I have also included an annual merit increase of 2.7% based on Mr. Waite reaching the experienced level of earnings for an Engineer Technician after 20-years.

Level of Earnings (Alternative 2) – Mr. Choppa indicated that if Mr. Waite had not completed a Civil Engineering degree, then his pre-injury earning capacity would have been in line with the average earnings for U.S. males with a Bachelor's degree. I have estimated earnings for Alternative 2 based on the U.S. average earnings for males with a Bachelor's degree. Earnings have been grown through 2015 at 2.5% based on the 10-year forecasted inflation rate compiled by the Federal Reserve Bank of Philadelphia. Beginning in 2016 earnings have been grown at 3.0% based on the 20-year historical consumer price index for wages. An amount has also been included for merit and experience based on the average U.S. male holding a Bachelor's degree.

Mitigation Earnings (Alternative 2) – Mr. Choppa indicated that if Mr. Waite does not obtain a position as an Engineering Technician, then his post-injury earning capacity would be in line with the average earnings for U.S. males with an Associate's degree.

Mr. Stephen L. Nordstrom
Re: Mr. Thomas Waite
11/20/2006
Page 3

Mitigation earnings for Alternative 2 have been based on the U.S. average earnings for males with an Associate's degree. Earnings have been grown through 2015 at 2.5% based on the 10-year forecasted inflation rate compiled by the Federal Reserve Bank of Philadelphia. Beginning in 2016 earnings have been grown at 3.0% based on the 20-year historical consumer price index for wages. An amount has also been included for merit and experience based on the U.S. male holding an Associate's degree.

Health Benefits – I have assumed no loss related to employer provided health benefits for both alternatives.

Retirement Benefits – Retirement benefits for all positions have been based on the U.S. average employer costs for retirement contributions of 6.1%.

Worklife Expectancy – Mr. Waite's worklife expectancy has been based on updated worklife expectancy tables that were originally published by the U.S. Bureau of Labor Statistics.

Present Value Discount Rate – U.S. Government bond rates with maturities similar to the loss periods have been utilized to determine a discount rate of 4.7%.

Expert Qualifications – A current Curriculum Vitae is attached to demonstrate my expert qualifications.

Fee Arrangement – My fee is billed at the rate of \$225 per hour. The rates of other staff members who work under my direction and control are billed at the rates in effect at the time the work is performed. The outcome of this litigation has no bearing upon the receipt or billing of fees.

Data Sources and Documents Relied Upon –

- November 13, 2006 Preliminary Vocational Report prepared by Mr. Anthony Choppa.
- Telephone interview with Mr. Anthony Choppa.
- Telephone interview with Mr. Thomas Waite.
- October 17, 2006 Deposition of Mr. Thomas Waite.
- U.S. Census Bureau, Money Income in the United States, 2005.
- U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment and Wages, May 2005.
- Federal Reserve Bank of Philadelphia, "Survey of Professional Forecasters," November 13, 2006.

Mr. Stephen L. Nordstrom

Re: Mr. Thomas Waite

11/20/2006

Page 4

- U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index – Urban Wage Earners and Clerical Workers, U.S. City Average, All Items (CPI-W).
- U.S. Bureau of Labor Statistics, Employer Costs per Hour Worked for Employee Compensation and Costs as a Percent of Total Compensation, December 2005.
- Skoog, Gary and Ciecka, Jim, A Markov (Increment-Decrement) Model of Labor Force Activity: Extended Tables of Central Tendency, Variation, and Probability Intervals, Journal of Legal Econometrics, v.11, no.1, 2003.
- Federal Reserve Statistical Release, November 15, 2006.

Exhibits – Exhibits could include detailed calculations and data sources or summaries prepared from this information.

On Going Discovery – To the extent any revised information becomes available through the discovery process, it may result in modifications to this report.

Very truly yours,
HARPER INCORPORATED



Daniel J. Harper, CPA/ABV, ASA, MBA

Enclosures

waite.001e.xls

Thomas Waite

Alternative 1: Civil Engineering Degree

Date of Birth: 8/16/1983
 Date of Injury: 8/21/2003
 Date of Trial: 9/17/2007

Discount Rate: 4.7%
 Growth Rates: 5.0% average wages

Year	Age	No. of Months	COLA Growth	Merit Growth	Annual Earnings	Adjusted Annual	6.1% Retirement	Total Earnings	Less Mitigation	Total Loss	Present Value
2009	25	6			48,213	24,107	1,471	25,578	20,705	4,873	4,295
2010	26	12	2.5%	3.7%	51,203	51,203	3,123	54,326	43,576	10,750	9,049
2011	27	12	2.5%	3.7%	54,378	54,378	3,317	57,695	45,853	11,842	9,521
2012	28	12	2.5%	3.7%	57,750	57,750	3,523	61,273	48,250	13,023	10,000
2013	29	12	2.5%	3.7%	61,331	61,331	3,741	65,072	50,772	14,300	10,488
2014	30	12	2.5%	3.7%	65,134	65,134	3,973	69,107	53,426	15,681	10,985
2015	31	12	2.5%	3.7%	69,173	69,173	4,220	73,393	56,218	17,175	11,491
2016	32	12	3.0%	3.7%	73,809	73,809	4,502	78,311	59,437	18,874	12,061
2017	33	12	3.0%	3.7%	78,755	78,755	4,804	83,559	62,841	20,718	12,645
2018	34	12	3.0%	3.7%	84,033	84,033	5,126	89,159	66,439	22,720	13,244
2019	35	12	3.0%	3.7%	89,664	89,664	5,470	95,134	70,244	24,890	13,858
2020	36	12	3.0%	3.7%	95,673	95,673	5,836	101,509	74,266	27,243	14,487
2021	37	12	3.0%	3.7%	102,085	102,085	6,227	108,312	78,518	29,794	15,133
2022	38	12	3.0%	3.7%	108,926	108,926	6,644	115,570	83,014	32,556	15,793
2023	39	12	3.0%	3.7%	116,226	116,226	7,090	123,316	87,767	35,549	16,471
2024	40	12	3.0%	3.7%	124,015	124,015	7,565	131,580	92,793	38,787	17,165
2025	41	12	3.0%	3.7%	132,326	132,326	8,072	140,398	98,106	42,292	17,875
2026	42	12	3.0%	3.7%	141,194	141,194	8,613	149,807	103,724	46,083	18,603
2027	43	12	3.0%	3.7%	150,656	150,656	9,190	159,846	109,664	50,182	19,349
2028	44	12	3.0%	3.7%	160,752	160,752	9,806	170,558	115,943	54,615	20,113
2029	45	12	3.0%	3.7%	171,525	171,525	10,463	181,988	122,582	59,406	20,895
2030	46	12	3.0%	0.0%	176,671	176,671	10,777	187,448	126,259	61,189	20,556
2031	47	12	3.0%	0.0%	181,971	181,971	11,100	193,071	130,047	63,024	20,222
2032	48	12	3.0%	0.0%	187,430	187,430	11,433	198,863	133,948	64,915	19,894
2033	49	12	3.0%	0.0%	193,053	193,053	11,776	204,829	137,966	66,863	19,571
2034	50	12	3.0%	0.0%	198,845	198,845	12,130	210,975	142,105	68,870	19,253
2035	51	12	3.0%	0.0%	204,810	204,810	12,493	217,303	146,368	70,935	18,941
2036	52	12	3.0%	0.0%	210,954	210,954	12,868	223,822	150,760	73,062	18,633
2037	53	12	3.0%	0.0%	217,283	217,283	13,254	230,537	155,283	75,254	18,330
2038	54	12	3.0%	0.0%	223,801	223,801	13,652	237,453	159,942	77,511	18,033
2039	55	12	3.0%	0.0%	230,515	230,515	14,061	244,576	164,739	79,837	17,740
2040	56	12	3.0%	0.0%	237,430	237,430	14,483	251,913	169,681	82,232	17,452
2041	57	12	3.0%	0.0%	244,553	244,553	14,918	259,471	174,772	84,699	17,168
2042	58	12	3.0%	0.0%	251,890	251,890	15,365	267,255	180,016	87,239	16,890
2043	59	12	3.0%	0.0%	259,447	259,447	15,826	275,273	185,416	89,857	16,615
2044	60	12	3.0%	0.0%	267,230	267,230	16,301	283,531	190,979	92,552	16,346
2045	61	12	3.0%	0.0%	275,247	275,247	16,790	292,037	196,708	95,329	16,080
		<u>36.5</u>	years					<u>5,913,848</u>	<u>4,089,127</u>	<u>1,824,721</u>	<u>585,245</u>

Thomas Waite

Mitigation (Alternative 1): Engineering Technician

Growth Rates: 4.4% average wages

Year	Age	No. of Months	COLA Growth	Merit Growth	Annual Earnings	Adjusted Annual	6.1% Retirement	Total Mitigation
2009	25	6			39,031	19,515	1,190	20,705
2010	26	12	2.5%	2.7%	41,071	41,071	2,505	43,576
2011	27	12	2.5%	2.7%	43,217	43,217	2,636	45,853
2012	28	12	2.5%	2.7%	45,476	45,476	2,774	48,250
2013	29	12	2.5%	2.7%	47,853	47,853	2,919	50,772
2014	30	12	2.5%	2.7%	50,354	50,354	3,072	53,426
2015	31	12	2.5%	2.7%	52,986	52,986	3,232	56,218
2016	32	12	3.0%	2.7%	56,020	56,020	3,417	59,437
2017	33	12	3.0%	2.7%	59,228	59,228	3,613	62,841
2018	34	12	3.0%	2.7%	62,619	62,619	3,820	66,439
2019	35	12	3.0%	2.7%	66,205	66,205	4,039	70,244
2020	36	12	3.0%	2.7%	69,996	69,996	4,270	74,266
2021	37	12	3.0%	2.7%	74,004	74,004	4,514	78,518
2022	38	12	3.0%	2.7%	78,241	78,241	4,773	83,014
2023	39	12	3.0%	2.7%	82,721	82,721	5,046	87,767
2024	40	12	3.0%	2.7%	87,458	87,458	5,335	92,793
2025	41	12	3.0%	2.7%	92,466	92,466	5,640	98,106
2026	42	12	3.0%	2.7%	97,761	97,761	5,963	103,724
2027	43	12	3.0%	2.7%	103,359	103,359	6,305	109,664
2028	44	12	3.0%	2.7%	109,277	109,277	6,666	115,943
2029	45	12	3.0%	2.7%	115,534	115,534	7,048	122,582
2030	46	12	3.0%	0.0%	119,000	119,000	7,259	126,259
2031	47	12	3.0%	0.0%	122,570	122,570	7,477	130,047
2032	48	12	3.0%	0.0%	126,247	126,247	7,701	133,948
2033	49	12	3.0%	0.0%	130,034	130,034	7,932	137,966
2034	50	12	3.0%	0.0%	133,935	133,935	8,170	142,105
2035	51	12	3.0%	0.0%	137,953	137,953	8,415	146,368
2036	52	12	3.0%	0.0%	142,092	142,092	8,668	150,760
2037	53	12	3.0%	0.0%	146,355	146,355	8,928	155,283
2038	54	12	3.0%	0.0%	150,746	150,746	9,196	159,942
2039	55	12	3.0%	0.0%	155,268	155,268	9,471	164,739
2040	56	12	3.0%	0.0%	159,926	159,926	9,755	169,681
2041	57	12	3.0%	0.0%	164,724	164,724	10,048	174,772
2042	58	12	3.0%	0.0%	169,666	169,666	10,350	180,016
2043	59	12	3.0%	0.0%	174,756	174,756	10,660	185,416
2044	60	12	3.0%	0.0%	179,999	179,999	10,980	190,979
2045	61	12	3.0%	0.0%	185,399	185,399	11,309	196,708
		<u>36.5</u>	years					<u>4,089,127</u>

Thomas Waite

Alternative 2: U.S. Average Male with BA Degree

Date of Birth: 8/16/1983
 Date of Injury: 8/21/2003
 Date of Trial: 9/17/2007

Discount Rate: 4.7%
 Growth Rates: 5.3% average wages

Year	Age	No. of Months	COLA Growth	Merit Growth	Annual Earnings	Adjusted Annual	6.1% Retirement	Total Earnings	Less Mitigation	Total Loss	Present Value
2009	25	6			40,805	20,403	1,245	21,648	15,836	5,812	5,122
2010	26	12	2.5%	6.4%	44,441	44,441	2,711	47,152	34,033	13,119	11,043
2011	27	12	2.5%	6.4%	48,401	48,401	2,952	51,353	36,568	14,785	11,887
2012	28	12	2.5%	6.4%	52,714	52,714	3,216	55,930	39,293	16,637	12,776
2013	29	12	2.5%	6.4%	57,411	57,411	3,502	60,913	42,220	18,693	13,710
2014	30	12	2.5%	6.4%	62,526	62,526	3,814	66,340	45,366	20,974	14,692
2015	31	12	2.5%	4.3%	66,803	66,803	4,075	70,878	48,746	22,132	14,808
2016	32	12	3.0%	4.3%	71,706	71,706	4,374	76,080	52,620	23,460	14,992
2017	33	12	3.0%	4.3%	76,969	76,969	4,695	81,664	56,504	25,160	15,356
2018	34	12	3.0%	4.3%	82,619	82,619	5,040	87,659	60,673	26,986	15,731
2019	35	12	3.0%	4.3%	88,683	88,683	5,410	94,093	65,151	28,942	16,114
2020	36	12	3.0%	3.6%	94,492	94,492	5,764	100,256	69,959	30,297	16,111
2021	37	12	3.0%	3.6%	100,681	100,681	6,142	106,823	75,122	31,701	16,101
2022	38	12	3.0%	3.6%	107,276	107,276	6,544	113,820	78,360	35,460	17,202
2023	39	12	3.0%	3.6%	114,303	114,303	6,972	121,275	81,737	39,538	18,319
2024	40	12	3.0%	3.6%	121,790	121,790	7,429	129,219	85,260	43,959	19,453
2025	41	12	3.0%	3.0%	129,122	129,122	7,876	136,998	88,934	48,064	20,315
2026	42	12	3.0%	3.0%	136,889	136,889	8,350	145,239	92,767	52,472	21,183
2027	43	12	3.0%	3.0%	145,123	145,123	8,853	153,976	97,211	56,765	21,887
2028	44	12	3.0%	3.0%	153,852	153,852	9,385	163,237	101,868	61,369	22,600
2029	45	12	3.0%	3.0%	163,106	163,106	9,949	173,055	106,747	66,308	23,323
2030	46	12	3.0%	0.0%	167,999	167,999	10,248	178,247	111,860	66,387	22,302
2031	47	12	3.0%	0.0%	173,039	173,039	10,555	183,594	117,218	66,376	21,298
2032	48	12	3.0%	0.0%	178,230	178,230	10,872	189,102	120,899	68,203	20,901
2033	49	12	3.0%	0.0%	183,577	183,577	11,198	194,775	124,695	70,080	20,513
2034	50	12	3.0%	0.0%	189,084	189,084	11,534	200,618	128,610	72,008	20,131
2035	51	12	3.0%	0.0%	194,757	194,757	11,880	206,637	132,648	73,989	19,756
2036	52	12	3.0%	0.0%	200,600	200,600	12,237	212,837	136,814	76,023	19,388
2037	53	12	3.0%	0.0%	206,618	206,618	12,604	219,222	140,918	78,304	19,073
2038	54	12	3.0%	0.0%	212,817	212,817	12,982	225,799	145,145	80,654	18,764
2039	55	12	3.0%	0.0%	219,202	219,202	13,371	232,573	149,499	83,074	18,459
2040	56	12	3.0%	0.0%	225,778	225,778	13,772	239,550	153,984	85,566	18,159
2041	57	12	3.0%	0.0%	232,551	232,551	14,186	246,737	158,604	88,133	17,865
2042	58	12	3.0%	0.0%	239,528	239,528	14,611	254,139	165,027	89,112	17,252
2043	59	12	3.0%	0.0%	246,714	246,714	15,050	261,764	171,727	90,037	16,649
2044	60	12	3.0%	0.0%	254,115	254,115	15,501	269,616	178,699	90,917	16,057
2045	61	12	3.0%	0.0%	261,738	261,738	15,966	277,704	185,954	91,750	15,476
<u>36.5 years</u>								<u>5,650,522</u>	<u>3,697,276</u>	<u>1,953,246</u>	<u>644,768</u>

Thomas Waite

Mitigation (Alternative 2): U.S. Average Male with AA Degree

Growth Rates: 5.0% average wages

Year	Age	No. of Months	COLA Growth	Merit Growth	Annual Earnings	Adjusted Annual	6.1% Retirement	Total Mitigation
2009	25	6			29,852	14,926	910	15,836
2010	26	12	2.5%	5.0%	32,076	32,076	1,957	34,033
2011	27	12	2.5%	5.0%	34,466	34,466	2,102	36,568
2012	28	12	2.5%	5.0%	37,034	37,034	2,259	39,293
2013	29	12	2.5%	5.0%	39,793	39,793	2,427	42,220
2014	30	12	2.5%	5.0%	42,758	42,758	2,608	45,366
2015	31	12	2.5%	5.0%	45,943	45,943	2,803	48,746
2016	32	12	3.0%	5.0%	49,595	49,595	3,025	52,620
2017	33	12	3.0%	4.4%	53,255	53,255	3,249	56,504
2018	34	12	3.0%	4.4%	57,185	57,185	3,488	60,673
2019	35	12	3.0%	4.4%	61,405	61,405	3,746	65,151
2020	36	12	3.0%	4.4%	65,937	65,937	4,022	69,959
2021	37	12	3.0%	4.4%	70,803	70,803	4,319	75,122
2022	38	12	3.0%	1.3%	73,855	73,855	4,505	78,360
2023	39	12	3.0%	1.3%	77,038	77,038	4,699	81,737
2024	40	12	3.0%	1.3%	80,358	80,358	4,902	85,260
2025	41	12	3.0%	1.3%	83,821	83,821	5,113	88,934
2026	42	12	3.0%	1.3%	87,434	87,434	5,333	92,767
2027	43	12	3.0%	1.8%	91,622	91,622	5,589	97,211
2028	44	12	3.0%	1.8%	96,011	96,011	5,857	101,868
2029	45	12	3.0%	1.8%	100,610	100,610	6,137	106,747
2030	46	12	3.0%	1.8%	105,429	105,429	6,431	111,860
2031	47	12	3.0%	1.8%	110,479	110,479	6,739	117,218
2032	48	12	3.0%	0.1%	113,948	113,948	6,951	120,899
2033	49	12	3.0%	0.1%	117,526	117,526	7,169	124,695
2034	50	12	3.0%	0.1%	121,216	121,216	7,394	128,610
2035	51	12	3.0%	0.1%	125,022	125,022	7,626	132,648
2036	52	12	3.0%	0.1%	128,948	128,948	7,866	136,814
2037	53	12	3.0%	0.0%	132,816	132,816	8,102	140,918
2038	54	12	3.0%	0.0%	136,800	136,800	8,345	145,145
2039	55	12	3.0%	0.0%	140,904	140,904	8,595	149,499
2040	56	12	3.0%	0.0%	145,131	145,131	8,853	153,984
2041	57	12	3.0%	0.0%	149,485	149,485	9,119	158,604
2042	58	12	3.0%	1.1%	155,539	155,539	9,488	165,027
2043	59	12	3.0%	1.1%	161,854	161,854	9,873	171,727
2044	60	12	3.0%	1.1%	168,425	168,425	10,274	178,699
2045	61	12	3.0%	1.1%	175,263	175,263	10,691	185,954
		<u>36.5</u>	years		<u>3,697,276</u>			



INCORPORATED
Forensic Accountants
& Litigation Consultants

November 20, 2006

Mr. Stephen L. Nordstrom
Nordstrom & Nees, P.S.
323 S. Pines Road
Spokane, WA 99206

Re: Mr. Thomas Waite

Dear Mr. Nordstrom:

I have prepared calculations of Mr. Thomas Waite's future long-term care needs based on the November 2006 Preliminary Care Plan prepared by Mr. Anthony Choppa, M.Ed., C.R.C., C.C.M.

Opinions and Conclusions¹	
Estimated Value of Future Care Needs	<u>\$ 214,653</u>

Key Assumptions and Data Sources

Long-Term Care -- The present value of the long-term care plan has been estimated based on the November 2006 Preliminary Care Plan prepared by Mr. Anthony Choppa, M.Ed., C.R.C., C.C.M..

Growth Rates -- Future growth rates have been estimated based on the Consumer Price Index for the following expenditure categories (see table):

¹ Detailed calculations are attached. All amounts are at their present values.

601 West Main Avenue, Suite 814
Spokane, WA 99201
e-mail: harperinc@qwest.net
website: www.econexpert.com
509.747.5850, FAX 509.747.5859

Mr. Stephen L. Nordstrom
 Re: Mr. Thomas Waite
 11/20/2006
 Page 2

	<u>15 Yr Avg</u>	<u>CPI-U</u>	<u>Used</u>
CPI-U	2.6%		2.6%
CPI-W	2.7%		2.7%
Prescription Medications	4.3%	2.6%	3.5%
Physician Services	3.8%	2.6%	3.2%
Other Medical Professionals	2.9%	2.6%	2.8%
Hospital & Related Services	6.1%	2.6%	4.4%
Registered Nurses/Aides	2.9%		2.9%

Life Expectancy – Mr. Waite’s remaining life expectancy has been based on the Washington State Insurance Commissioner’s life expectancy table.

Present Value Discount Rate – U.S. Government bond rates with maturities similar to the loss periods have been utilized to determine a discount rate of 4.7%.

Fee Arrangement – My fee is billed at the rate of \$225 per hour. The rates of other staff members who work under my direction and control are billed at the rates in effect at the time the work is performed. The outcome of this litigation has no bearing upon the receipt or billing of fees.

Data Sources and Documents Relied Upon –

- November 2006 Preliminary Care Plan prepared by Mr. Anthony Choppa, M.Ed., C.R.C., C.C.M.
- Telephone Interview with Mr. Anthony Choppa.
- Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average by Commodity and Service Group and Detailed Expenditure Categories, U.S. Department of Labor, Bureau of Labor Statistics.
- Median weekly earnings of wage and salary workers who usually work full time, by detailed (3 digit census code) occupation, 1990 – 2005, Bureau of Labor Statistics.
- Federal Reserve Statistical Release, www.federalreserve.gov, November 15, 2006.
- Washington Insurance Commissioner Life Expectancy Table.

Mr. Stephen L. Nordstrom
Re: Mr. Thomas Waite
11/20/2006
Page 3

Exhibits – Exhibits could include detailed calculations and data sources or summaries prepared from this information.

On Going Discovery – To the extent any revised information becomes available through the discovery process, it may result in modifications to this report.

Very truly yours,

HARPER INCORPORATED

Daniel J. Harper, CPA/ABV, ASA, MBA

Enclosures

waite.002e.doc

Thomas Waite
Future Care Needs

Date of Birth: 8/16/1983
LCP Plan Date: Nov-06

Discount Rate: 4.7%

Growth Rates: var 2.8% 4.4% 3.5% 2.9% var

Year	Age	No of Months	Projected Evaluations	Projected Therapeutic Modalities	Diagnostics	Medications	Home Care/ Residential Care	Educational/ Vocational Needs	Total	Present Value
2006	23	2	0	0	0	96	0	0	96	95
2007	24	12	1,978	22,928	316	596	0	4,806	30,624	29,026
2008	25	12	185	15,652	330	617	0	4,936	21,720	19,663
2009	26	12	191	8,049	344	639	0	5,069	14,292	12,357
2010	27	12	197	8,274	359	661	0	0	9,491	7,838
2011	28	12	2,212	8,506	375	684	0	0	11,777	9,289
2012	29	12	209	5,129	393	708	4,987	3,045	14,471	10,902
2013	30	12	216	1,556	411	733	1,711	0	4,627	3,329
2014	31	12	223	1,600	429	759	1,761	0	4,772	3,279
2015	32	12	2,473	1,645	448	786	1,812	0	7,164	4,702
2016	33	12	237	1,691	468	814	1,865	0	5,075	3,182
2017	34	12	245	1,861	488	842	1,919	0	5,355	3,206
2018	35	12	253	1,787	509	871	1,975	0	5,395	3,085
2019	36	12	2,766	1,837	531	901	2,032	0	8,067	4,406
2020	37	12	269	1,888	554	933	2,091	0	5,735	2,992
2021	38	12	278	1,941	579	966	2,152	0	5,916	2,948
2022	39	12	287	1,995	604	1,000	2,214	4,013	10,113	4,813
2023	40	12	3,093	2,051	630	1,035	2,278	0	9,087	4,130
2024	41	12	305	2,108	656	1,071	2,344	0	6,484	2,815
2025	42	12	315	2,167	685	1,108	2,412	0	6,687	2,773
2026	43	12	325	2,228	715	1,147	2,482	0	6,897	2,732
2027	44	12	3,459	2,452	747	1,187	2,554	0	10,399	3,934
2028	45	12	346	2,354	780	1,229	2,628	0	7,337	2,651
2029	46	12	357	2,420	815	1,272	2,704	0	7,568	2,611
2030	47	12	368	2,488	851	1,317	2,782	0	7,806	2,573
2031	48	12	3,868	2,558	889	1,363	2,863	0	11,541	3,633
2032	49	12	392	2,630	928	1,411	2,946	0	8,307	2,498
2033	50	12	405	2,704	969	1,460	3,031	0	8,569	2,461
2034	51	12	418	2,780	1,012	1,511	3,119	0	8,840	2,424
2035	52	12	4,326	2,858	1,056	1,564	3,209	0	13,013	3,409
2036	53	12	445	2,938	1,102	1,619	3,302	0	9,406	2,353
2037	54	12	459	3,235	1,149	1,676	3,398	0	9,917	2,370
2038	55	12	474	3,105	1,200	1,735	3,497	0	10,011	2,285
2039	56	12	4,838	3,192	1,252	1,796	3,598	0	14,676	3,199
2040	57	12	505	3,281	1,307	1,859	3,702	0	10,654	2,218
2041	58	12	521	3,373	1,364	1,924	3,809	0	10,991	2,186
2042	59	12	538	3,467	1,424	1,991	3,919	0	11,339	2,154
2043	60	12	5,412	3,564	1,487	2,061	4,033	0	16,557	3,004
2044	61	12	573	3,664	1,552	2,133	4,150	0	12,072	2,092
2045	62	12	591	3,767	1,620	2,208	4,270	0	12,456	2,061
2046	63	12	610	3,872	1,692	2,285	4,394	0	12,853	2,031
2047	64	12	6,055	4,264	1,766	2,365	4,521	0	18,971	2,864
2048	65	12	650	4,091	1,843	2,448	4,652	0	13,684	1,973
2049	66	12	671	4,206	1,924	2,534	4,787	0	14,122	1,945
2050	67	12	692	4,324	2,009	2,623	4,926	0	14,574	1,917
2051	68	12	6,773	4,445	2,098	2,715	5,069	0	21,100	2,651
2052	69	12	737	4,569	2,191	2,810	5,216	0	15,523	1,863
2053	70	12	761	4,697	2,288	2,908	5,367	0	16,021	1,836
2054	71	12	785	4,829	2,388	3,010	5,523	0	16,535	1,810
2055	72	12	7,576	4,964	2,493	3,115	5,683	0	23,831	2,491
2056	73	12	836	5,103	2,604	3,224	5,848	0	17,615	1,759
2057	74	12	863	5,246	2,719	3,337	6,018	0	18,183	1,734
2058	75	12	891	5,393	2,838	3,454	6,193	0	18,769	1,710
2059	76	2	1,413	924	494	596	1,062	0	4,489	391
52.3			73,865	212,650	60,675	85,707	166,808	21,869	621,574	214,653



INCORPORATED
Forensic Accountants
& Litigation Consultants

Curriculum Vitae

Daniel J. Harper, CPA/ABV, ASA, MBA

OCCUPATION: President, Harper Incorporated

AREAS OF SPECIALIZATION: Business valuations, forensic accounting, and quantification of business or personal economic loss; providing accounting, auditing business consulting, and tax planning services to small and large closely-held businesses.

EXPERT WITNESS: Washington and Idaho (Judge and Jury Trials)

EDUCATION: Bachelor of Business Administration
Washington State University - 1973

Bachelor of Accounting
Washington State University - 1974

Masters of Business Administration (MBA)
University of Washington - 2003

PROFESSIONAL ASSOCIATIONS: American Institute of Certified Public Accountants
Washington Society of Certified Public Accountants
Accreditation In Business Valuation (AICPA 1998)
American Society of Appraisers
National Association of Forensic Economics
American Academy of Economic and Financial Experts

EXPERIENCE: 1993 - Present Harper Incorporated, President
1991 - 1992 McFarland & Alton, P.S., President and C.E.O.
1984 - 1990 McFarland & Alton, P.S., Shareholder in Charge of Practice Development and Audit Department, Technical Supervision and New Service Department
1975 - 1983 McFarland & Alton, P.S., Professional Audit Staff Providing Public Accounting Services

601 West Main Avenue, Suite 814
Spokane, WA 99201
e-mail: harperinc@qwest.net
website: www.econexpert.com
509.747.5850, FAX 509.747.5859

PUBLISHED: The Federal Credit Union (10-90)
Credit Union Industry Technical & Marketing Manuals (6-91)
The Credit Union Auditor Newsletter (5-91)
The Journal of Business

**SPEAKER/
PRESENTATIONS/
COMMITTEES:**

American Institute of Certified Public Accountants National Credit Union Conference
National Association of Federal Credit Unions National Conference
Washington State Credit Union League Annual Convention
Combined Washington and Oregon Credit Union Leagues Controller Conference
Eastern Washington Chapter of the Associated General Contractors Annual Meeting
Supervisory Committee Training Seminar
Associated Regional Accounting Firms National Partners Meeting
National Electrical Contractors Association
Associated Builders and Contractors
Associated Regional Accounting Firms, Past National Chairman for Construction and Credit Union Committees
Calculation of Damages in Personal Injury and Wrongful Death Cases, Costa Mesa, California
Calculation of Damages in Personal Injury and Wrongful Death Cases, St. Louis, Missouri
Practice Development Institute -- Wrongful Death and Personal Injury Cases, Chicago, Illinois
Calculation of Damages in Personal Injury and Wrongful Death Cases, Jacksonville, Florida
AICPA National Advanced Litigation Services Conference, New Orleans, Louisiana
Accounting for Goodwill and Intangible Assets, WSCPA, Spokane, WA
Determining Economic Damages, Spokane Bar Association, Spokane, WA



INCORPORATED
Forensic Accountants
& Litigation Consultants

Fee Schedule

Hourly Rates

Dan Harper, Principal, CPA/ABV, ASA, MBA	\$225
Economist	\$215
Senior Associate CPA	\$195
Associate Economist	\$150
Clerical	\$ 65

*601 West Main Avenue, Suite 814
Spokane, WA 99201
e-mail: harperinc@qwest.net
website: www.econexpert.com
509.747.5850, FAX 509.747.5859*



INCORPORATED
Forensic Accountants
& Litigation Consultants

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years

Name of Case	Name of Court
Saad v. Saad	Superior Court of State of Washington, County of Spokane, December 1999
Molly/Schweiger v. Reinland	Superior Court of State of Washington, County of Spokane, December 1999
Robin Costello v. Deaconess Medical Center	Superior Court of State of Washington, County of Spokane, March 2000
Clark E. Kinney and Barbara E. Kinney v. Kenneth Cook, and Spokane Freightliner	Superior Court of State of Washington, County of Spokane, March 2000
Feedcom Enterprises, Inc. v. Heinz Kaiser Steel Building Company	United States District Court, Eastern District of Washington, April 2000
Silverthorn v. Ford Motor Co.	United States District Court, Eastern District of Washington, May 2000
Goroch v. Omak Machine Shop	Superior Court of State of Washington, County of Okanogan, May 2000
Wapato School District v. McGowan Rogers Surveying	Superior Court of State of Washington, Yakima County, June 2000
Hill v. Merritt Brothers Lumber	Superior Court of State of Washington, Spokane County, October 2000
Feighner vs Stroup, et al.	Superior Court of State of Washington, County of Spokane, November 2000
Miller vs Miller	Superior Court of State of Washington, County of Spokane, November 2000

601 West Main Avenue, Suite 814
Spokane, WA 99201
e-mail: harperinc@qwest.net
website: www.econexpert.com
509.747.5850, FAX 509.747.5859

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

Name of Case	Name of Court
Isherwood & Associates v. The Burlington Northern, et al.	United States District Court Eastern District of Washington at Spokane, February 2001
Danielle Y. Allmand v. Department of Transportation, State of Washington and Jerry Compton	United States District Court Eastern District of Washington at Spokane, February 2001
Trunkenbolz v. Trunkenbolz	Superior Court of State of Washington, County of Spokane, March 2001
Quad City Construction v. Advanta	Idaho Federal Bankruptcy Court Moscow, Idaho, March 2001
Dr. Dexter v. Pemco	Arbitration, Moses Lake, WA, April 2001
Seberro v. USSA	Arbitration, Spokane, WA, April 2001
Spokane Mental Health v. Spokane County	Superior Court of State of Washington, County of Spokane, May 2001
Dr. Rundle v. City of Spokane	Superior Court of State of Washington, County of Spokane, June 2001
Imhoff v. URM Stores	Superior Court of State of Washington, County of Spokane, June 2001
Alton Automotive Centers, Inc. v. Challenger Lifts, Inc.	Superior Court of State of Washington, County of Spokane, May 2002
Hicks v. Hicks	Superior Court of State of Washington, County of Spokane, May 2002
Anders v. Plenum Communications, Inc.	Superior Court of State of Washington, County of Spokane, May 2002

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

Name of Case	Name of Court
Ameenjohn Stanisky, Azim Stanisky and Fayroza Stanisky v. Marcia McKay, DO and Pullman Family Medicine	Superior Court of State of Washington, County of Whitman, July 2002
Jean and Peter Clark v. Family Health Center of Spokane,	Superior Court of State of Washington, County of Whitman, September 2002
William and Janet Taylor v. Walla Walla Clinic	Superior Court of State of Washington, County of Walla Walla, March 2003
Cindy Britts v. Dept. of Social & Health Services, Consolidated Support Services	Superior Court of State of Washington, County of Spokane, March 2003
Cheryl L. Forbes and Colleen A. Myers v. American Building Maintenance	Superior Court of State of Washington, County of Spokane, April 2003
Kempf (Safe-T-Tow) v. Butler	Superior Court of State of Washington, County of Spokane, May 2003
Michael Scarpelli v. Neal Williams	Superior Court of State of Washington, County of Spokane, May 2003
David Coulson v. Pliant Corp.	Superior Court of State of Washington, County of Spokane, May 2003
Schade Towers, LLC v. United Security Bank	Superior Court of State of Washington, County of Spokane, May 2003
Michael Alvarado v. Marshall S. Stander	Superior Court of State of Washington, County of Grant, June 2003
Marzetta v. Marzetta	Superior Court of State of Washington, County of Spokane, June 2003
Richards v. Sicilia et al	Superior Court of State of Washington, County of Spokane, June 2003

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

Name of Case	Name of Court
Terri Francisco-Farrell v. Local Union 112	Richland Federal District Court of State of Washington, July 2003
Taplett v. Major Marketing Services, Inc., et al.	Superior Court of State of Washington, County of Spokane, July 2003
Tri-State Foods, Inc. v. Vitality Foodservice, Inc.	Superior Court of State of Washington, County of Spokane, August 2003
Shawn Ferger v. Valley Foursquare Church	Superior Court of State of Washington, County of Spokane, August 2003
Tina Kempe d/b/a Miler's Espresso v. Safeco Property and Casualty Insurance Company	Superior Court of State of Washington, County of Spokane, September 2003
Wallis D. Hubbard v. Spokane County, et al.	Superior Court of State of Washington, County of Spokane, September 2003
Natalya Daranutsa v. City of Spokane	Superior Court of State of Washington, County of Spokane, November 2003
City of Spokane v. River Park Square, LLC	Superior Court of State of Washington, County of Spokane, November 2003
Best Franchising, Inc., and Hawthorn Suites Franchising, Inc. vs. Terry P. Wynia, et al.	Superior Court of State of Washington, County of Spokane, November 2003
Bernard Taylor, and The B. Taylor Group, LLC, v. Altek, Inc.	Arbitration Spokane, Washington, November 2003
A. Casey Mathieu v. Bilodeau et al.	Superior Court of State of Washington, County of Spokane, December 2003
Darrin Miller and Cynthia Miller v. U-Haul of Washington, a Washington Corporation	Superior Court of State of Washington, County of Spokane, February 2004

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

<u>Name of Case</u>	<u>Name of Court</u>
Albert F. Sutlick, Jr., and Cheryl A. Sutlick; and Albert F. Sutlick, Jr. v. Walla Walla General Hospital, a Corporation; Blue Mountain Medical Group, a Business Entity; and Robert D. Betz, M.D.	Superior Court of State of Washington, County of Walla Walla, March 2004
Susan Messinger v. U.S. Bancorp; a Delaware Corporation.	United States District Court Eastern District of Washington, County of Spokane, March 2004
Guy E. Katz v. Michelle E. Katz	Superior Court of State of Washington, County of Spokane, March 2004
Paul Madden and Janice Madden, husband and wife, and the marital community composed thereof, and Paul Madden, as Guardian for Jenny Madden, Hillary Madden, and Whitney Madden, all minors v. Ronald Nielsen, M.D., Judith Nielsen, M.D., and Ronald and Judith Nielsen, husband and wife, and the marital community composed thereof; William Brooks and Jane Doe Brooks, husband and wife and the marital community composed thereof; and Okanogan-Douglas County Hospital District d/b/a Okanogan-Douglas County Hospital.	Arbitration Seattle, Washington, April 2004
Kenneth R. Taplett and Patricia S. Taplett, husband and wife, v. Major Marketing Services, Inc., a Washington Corporation; George W. Scott and Leslie A. Scott, husband and wife; and Michael L. Wallach and Michael J. Wallach, husband and wife.	Superior Court of State of Washington, County of Spokane, April 2004
D.L. Futures, Inc. v. Esposito, Tombari, George, Topliff & Campbell, P.S., and Joseph A. Esposito.	Deposition Spokane, Washington, September 2004

114

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

C.J.M., a minor, by and through Michelle K. Wolkey, his guardian ad litem v. Empire Health Services, a Washington corporation, d/b/a Deaconess Medical Center, and d/b/a Deaconess Child Care Center. Deposition
Spokane, Washington, September 2004

James Roy Sharp v. Glyn K. Best and Jane Doe Best Deposition
Spokane, Washington, September 2004

Harry J. Parris, individually, as parent of Tesia Parris, as personal representative of Tesia Parris and the Estate of Tesia Parris, and as parent and guardian of Tawny Parris, a minor, and Tori Parris, a minor; Celeste Seidler, individually, as parent of Tesia Parris, and as parent and guardian of Tawny Parris, a minor, and Tori Parris, a minor, v. Abdualwahab Al-Jazairy; Robert B. Fiorentino, individually and as agent/employee of the State of Washington (Washington State Patrol); and The State of Washington. Superior Court of State of Washington,
County of Spokane, October 2004

Carroll Construction v. Spokane County Arbitration
Spokane, Washington, October 2004

Lucindea Amundson, individually and as Personal Representative of the Estate of Jason Carl Delgado, deceased; Travis Allen; Darrell Allen and Angela Allen, husband and wife, v. State of Washington, Department of Transportation. Adams County Superior Court,
Ritzville, Washington, October 2004

William Goble d/b/a Goble Farms v. Bleyhl Farm Service, Inc. Deposition
Spokane, Washington, November 2004

Martha J. Rehn v. Richard R. Rehn. Superior Court of the State of Washington,
County of Spokane, November 2004

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

Anita K. Neill, Wife, and as Personal Representative of the Estate of Mark T. Neill, v. Dennis L. Simpson, M.D. and James O. Duffy, M.D.	Deposition Spokane, Washington, November 2004
Blanchat v. Blanchat	Superior Court of the State of Washington, County of Spokane, March 2005
Poco, L.L.C. (Mark Peterson) v. Farmers Crop Insurance Group Alliance, Inc.	Mediation Kennewick, Washington, March 2005
City of Spokane v. Perkins Coie	Deposition Spokane, Washington, April 2005
Werschler v. Werschler	Superior Court of the State of Washington Spokane, Washington, May 2005
Brooklyn Iron Works, Inc.	Mediation Spokane, Washington, May 2005
Brunjes v. Brunjes	Superior Court of the State of Washington County of Spokane, May 2005
Jimmy Thomas v. Spokane Transit Authority	Deposition Spokane, Washington, May 2005
Waynco Construction, Inc. v. Good Samaritan	Arbitration Spokane, Washington, June 2005
Courtney Strange v. City of Spokane, a municipal corporation; Sarah Wolverton, a single woman; and Jerry Wolverton and Darcie Wolverton, husband and wife	Deposition Spokane, Washington, June 2005
Walter B. Dahlke v. Norlift, Inc., a Washington Corporation	Deposition Spokane, Washington, June 2005
Susan Jones v. U.S. Bank	Deposition Spokane, Washington, October 2005

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

Name of Case	Name of Court
Cheryl Patrick v. Estate of Andrew Dyk, deceased; and Melvin Dyk and Cindy Dyk, husband and wife, and the marital community composed thereof	Deposition Spokane, Washington, November 2005
Roberta Scholz v. State, et al.	Deposition Spokane, Washington, November 2005
Donald Rebman v. Jonathan Perry, M.D.	Deposition Spokane, Washington, March 2006
Sharon Russell v. Prevocational	Superior Court of the State of Washington County of Spokane, March 2006
William Kelley v. Eastern Washington University	Deposition Spokane, Washington, March 2006
Stat Network v. Lance Haynie	Deposition Spokane, Washington, April 2006
ESP v. Oregon Central Credit Union	Deposition Spokane, Washington, April 2006
Donald L. Rebman v. The Burlington Northern and Santa Fe Railway Company, a Delaware Corporation; Jonathan R. Perry, M.D.; Kadlec Medical Center, a Washington Corporation; John Doe and/or Jane Doe Health Care Providers 1-5, Defendants.	District Court Eastern District of Washington Richland, Washington, August 2006
Harry Ries, Guardian Ad Litem, On behalf of the Estates of Deryk Gaddis, a minor child, and Kristopher Gaddis, a minor child, v. Janet Hoke and "John Doe Hoke," husband and wife, v. Dean Gaddis and Jennifer Gaddis, husband and wife.	Superior Court, State of Washington Ephrata, Washington, August 2006

Daniel J. Harper, CPA/ABV, ASA, MBA
List of Cases Testified as an Expert on at Trial or by
Deposition in the Last Five Years (Continued)

Name of Case	Name of Court
Mark Peterson, Poco, LLC v. Farmers Crop Insurance Alliance.	Arbitration Kennewick, Washington, September 2006
John Hale v. Wellpinit School District	Deposition Spokane, Washington, September 2006
Cruz v. Cruz	Superior Court of the State of Washington County of Spokane, Washington, September 2006
Steve Breeden v. Kaiser Aluminum	Deposition Spokane, Washington, October 2006
Steelman-Duff v. Idaho Department of Transportation	Arbitration Boise, Idaho, November 2006