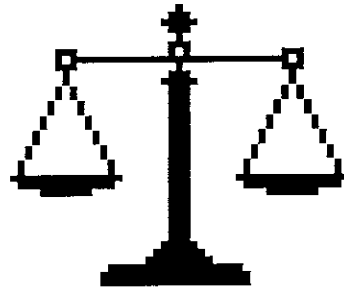


“MY EXPERT CAN BEAT UP YOUR EXPERT”



San Diego Bankruptcy Forum Program

October 14, 1999

Materials prepared by:

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Pyle Sims Duncan & Stevenson

Michael D. Breslauer, Esq.
Solomon Ward Seidenwurm & Smith, LLP

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Federal Rule of Evidence 702 states:

If scientific, technical, or other specialized knowledge will assist the trier of fact to understand the evidence or determine a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training, or education, may testify thereto in the form of an opinion or otherwise.

From 1923 to 1993 Courts admitted opinions of experts as long as the proffered opinion was generally accepted in the scientific or technical community. Frye v. United States, 293 F. 1013, 1014 (D.C. Cir. 1923). The “general acceptance” test contained in Frye was substantially changed in 1993 when the United States Supreme Court decided Daubert v. Merrell Dow Pharmaceuticals, Inc., 509 U.S. 579 (1993). The Court in Daubert held that Federal Rule of Evidence 702, not the “general acceptance” test of Frye v. United States, governed the admissibility of novel scientific testimony. No longer is the test merely that opinion evidence is “relevant”. In Daubert, the Supreme Court directed that District Courts establish themselves as “gatekeepers” to ensure the reliability of opinion evidence. Pursuant to Rule 702, “the trial judge must ensure that any and all [expert] testimony or evidence admitted is not only relevant, but reliable.” General Elec. Co. v. Joiner, 522 U.S. 136, 139, 118 S. Ct. 512, 516, 139 L. Ed. 2d 508 (1997) (quoting Daubert v. Merrell Dow Pharmaceuticals, Inc., 509 U.S. 579, 589, 113 S. Ct. 2786, 2794-95, 125 L. Ed. 2d 469 (1993)).

Daubert established four inquiries for determining whether a theory or technique constitutes expert knowledge that will assist the trier of fact: (1) can the theory be or has it been tested?; (2) has the theory or technique been subjected to peer review and publication?; (3) what is the known or potential rate of error?; and (4) is the theory or technique generally accepted in the relevant scientific or other expert community?.

Thus, the trial court's gatekeeping function requires it to perform a two part inquiry. First, the Court must determine whether the testimony is relevant such that it "will assist the trier of fact to understand or determine a fact in issue". Second, the Court must then assess the reliability of the proffered testimony to determine "whether the expert is proposing to testify to scientific knowledge. Daubert, 509 U.S. 579 at 592.

The big question facing litigants after Daubert was whether the Court's analysis would apply to "non-scientific" experts, including economists, damage experts or other economic theorists. The answer to the question, after the U.S. Supreme Court decided Kumho Tire Co., Ltd. v. Carmichael, 119 S. Ct. 1167 (1999) March 23, 1999 is "yes".

In Kumho Tire, an experts opinion about a failed tire was excluded at trial under Daubert. The Court of Appeals reversed, concluding that Daubert applied only where an expert relies "on the application of scientific principles" rather than "on skill or experience based observation". The Supreme Court reversed, siding with the District Court, concluding that Daubert factors can help evaluate the reliability even of experience based testimony. In his discussion of whether the "gatekeeper" function was limited to an inquiry of "scientific" opinion/knowledge, Justice Breyer writing for an 8-1 majority, said: "[W]e conclude that Daubert's general principles apply to the expert matters described in Rule 702....[The Rule] requires a valid ... connection to the pertinent inquiry as a precondition to admissibility. And where such testimony's factual basis, data, principles, methods, or their application are called sufficiently into question,...the trial judge must determine whether the testimony a 'a reliable basis in the knowledge and experience of [the relevant] discipline.' " Id. at 1174.

After Kumho Tire, the Court gatekeeper function must also be used to apply Daubert's standards to "non-scientific" expert testimony to determine whether it is inherently reliable and will be applied to economic experts, appraisers, interest rate opinion experts and the like.

As of this writing, Kumho Tire has not been cited or applied in a bankruptcy court in any published decision. Daubert has been applied in relatively few decisions by bankruptcy courts and appellate courts in connection with expert testimony for valuation issues.

The existing cases appear to indicate that the testimony of appraisers and other certified experts is generally admitted, while the testimony of accounts regarding issues closely related to valuation is generally excluded. The cases are briefly summarized below:

1. In re Valley-Vulcan Mold Co., 1999 Bankr. LEXIS 991, 1999 FED App. 0014P (Case No. 98-8070 B.A.P. 6th Cir. August 19, 1999).

In Vulcan, the Official Creditors' Committee filed an adversary proceeding to set aside a fraudulent conveyance. The defendant sought to introduce expert testimony by a "solvency opinion" expert that the Debtor was solvent. The bankruptcy court reviewed the experience and credentials of the CPA and admitted his testimony. On appeal, the BAP affirmed:

[The expert] obtained undergraduate and graduate degrees from prestigious universities, that he had subsequently been employed with various financial firms, that as of the time of trial he was a partner and national director of a valuation services group with a leading financial firm, and that at a previous firm, he had essentially developed solvency opinions as a financial product line. The bankruptcy court overruled the Committee's objection to the appropriateness of solvency opinions as a field of inquiry, noting that the opinion of a person experienced in evaluating the solvency of a business would assist the court in the determination of facts at issue in the proceeding.

Id., at 35.

The BAP held that the expert "easily satisfied" the standards of Section 702.

Analysis: This was a rather ill-advised move on the part of the OCC. The BAP gave very short shrift to this argument. The OCC failed to provide any expert testimony of its own, choosing instead to rely solely on a Daubert objection to the testimony provided by the defendant, who opined regarding the going concern value of the Debtor's business, including its assets. The appellate court did not even delve into the issue of whether "solvency opinions" were sufficiently scientific or based on experience so as to satisfy the Daubert/Kumho test.

2. In re Moazma Syed, 1999 Bankr. LEXIS 972 (Case No. 99 B 00245 Bankr. N.D. Ill. August 16, 1999) (Schmetterer, J).

In this case, the debtor filed a motion to reconsider an order granting relief from stay on the ground that the moving party's experts were allowed to testify without the court, on its own, holding a Daubert hearing prior to allowing the experts to testify. The experts presented testimony regarding real property collateral which was in disrepair. One expert testified regarding the "costs of rehabilitation" and the other testified regarding the "condition of the Premises and as to what repairs would be necessary to bring the property up to code."

The Court held that the debtor's attorney waived this objection because it was not raised at trial. Moreover, the court held that the use of the word "may" in Kumho means that such a hearing is permissive, not mandatory, especially where "the reliability of an expert's methods is properly taken for granted."

Analysis: The interesting holding in the case is the second one. Must a court make some sort of determination on the record (other than the lack of an objection by the other side) that the expert is qualified? The court did not hold that the reliability of the experts' methods could be taken for granted. What about if the opposing party is in pro per? The debtor's procedural attack was a weak one. The court went out of its way, in ruling on the reconsideration motion, to hold that the witnesses met the Daubert test, even though apparently no such ruling was expressly made at trial. The debtor would have been better served to raise this issue on appeal. The motion only served to reinforce the existing record.

3. In re Dow Corning Corp., 1999 Bankr. LEXIS 981 (Bankr. E.D. Mich. Case No. 95-20512 July 23, 1999) (Spector, J).

In this case, parties objecting to the confirmation of the Chapter 11 plan in the famous breast implant bankruptcy proffered the testimony of a CPA to "provide an opinion on the sufficiency of a fund to satisfy anticipated claims against it." The court noted that the testimony, while seemingly scientific on the outside, was actually based on speculative assumptions:

If he were permitted to give it, Mr. Orgill's ultimate testimony would be that \$400 million will prove clearly insufficient to satisfy all claims against the Litigation Facility. To reach this ultimate conclusion it was necessary for him to make several subsidiary conclusions, which themselves were founded upon certain assumptions and data that he obtained from a number of different sources. Of course, accountants routinely make assumptions, apply them to data provided by others, and draw conclusions therefrom. So far, and from this quite general overview, there is nothing out of the ordinary with Mr. Orgill's methodology or his conclusions. However, a sharper focus reveals much that is quite extraordinary.

The subsidiary conclusions that Mr. Orgill says he needed to reach in order to come to his ultimate conclusion are: (1) the number of claimants who would opt to litigate instead of settle for the amounts offered in the Settlement Facility (the "Opt-in Claimants"); (2) the number of Opt-in Claimants who will accept a settlement offer made by the Litigation Facility and the corresponding number that will reject such an offer and actually try their cases; (3) the average value received by Opt-in Claimants who settle with the Litigation Facility; and (4) the average cost to the Litigation Facility for resolving Opt-in Claims that proceed to litigation (including administrative and defense costs).

The court found that one assumption upon which the CPA based his opinion was particularly unscientific:

The only "methodology" Mr. Orgill used to provide this subsidiary conclusion was to call two attorneys with whom he was personally familiar and ask them what they thought. Without going any further, this methodology is far from satisfactory. But the details of this "research" truly makes a mockery of the process. Mr. Orgill testified that the night before his first deposition (which was conducted on June 23, 1999), he called Karla Butko and Gordon Muir. Ms. Butko is primarily a criminal defense attorney and Mr. Muir is an attorney/estate planner who also does some business work. Mr. Orgill recognizes that neither of them has relevant civil litigation experience. n14 Nevertheless, he accepted without verification their assertion that about 90% of all civil cases settle. From that casual form of research, he proceeded to

extrapolate that 10% of those who opt into the Litigation Facility would ultimately proceed to trial. We are given to understand that if allowed to testify, Mr. Orgill would amend this conclusion based on new or better information he since obtained. However, Mr. Orgill did not explain this new methodology or the source of the new information.

Id.

The court held that this CPA was not qualified to testify based on the unscientific nature of the assumptions he had to make.

In ruling, the Court provided some guidance for future bankruptcy courts on the Daubert issue. Apparently, the court tried to preclude testimony regarding certain calculations if the opinions ultimately provide inadmissible. The court suggested the following resolution:

There was the concern that the Court should not hear testimony about the results of the various calculations lest the Court, as trier of fact, be misled by opinions which may ultimately prove inadmissible. In retrospect, this was a mistake. The method used impeded the questioning of the witness and made the whole process go in a most unnatural and unwieldy manner. While we recognize that the Federal Rules of Evidence apply in bench trials and that inadmissible expert testimony should be excluded there as well as in jury trials, we recommend to other trial courts not to follow our example. Instead, take the proffered testimony altogether – both substantive conclusions and testimony on methodology, etc. – and disregard whatever proves to be inadmissible.

Id.

Analysis: This decision is well-reasoned. An expert who is otherwise qualified may provide inadmissible testimony if the assumptions upon which he or she bases his opinion lack scientific basis.

The court suggestion as to taking testimony subject to exclusion, while practical, frankly appears to be at odds with the “gatekeeper” function of Daubert. Judges are, after all, human: it is difficult to exclude from any consideration testimony which has already been heard. Moreover, accepting testimony and then later disregarding it would result in turning Daubert on its head.

4. In re Halmar Distributors, Inc., 232 B.R. 18 (Bankr. D. Mass 1999) (Borof, J.).

This case involved an adversary proceeding regarding a priority dispute among two creditors. One creditor claimed that the other had converted its collateral, relying upon a computer program that tracked the debtor’s inventory and sales. The court excluded this witness’ testimony on the ground that “the unique computer analysis and program relied upon by GE to identify the Debtors’ inventory and sales was neither reliable nor verifiable.”

5. In re Tasch, 1999 U.S. Dist. LEXIS 12368 (August 5, 1999 D. La.).

This case involved an adversary proceeding for damages for breach of contract which was removed to the district court. The Debtor tendered testimony from an expert witness who was a management expert regarding construction issues. His report was largely limited to "interpretation of the parties' intentions, contract language and whether there was a breach of contract." This testimony was disallowed on the ground that it was not helpful to the trier of fact. The remainder of the report attempted to calculate damages regarding issues such as economic inefficiencies and overhead calculations.

The defendant objected to the testimony because the expert had no education after high school other than one semester at college and two day seminar six years earlier. He had no formal accounting background. The debtor argued that the defendant was qualified by virtue of his 28 years of construction experience, including 14 years of job costing project audits and 10 years of claims narratives/cost analysis.

The court found that the expert's experience regarding job cost accounting was not insignificant and that there was some methodology underlying his calculations. The court focused on the fact that the defendants generally attacked only the expert's lack of formal education and the fact the he made no effort to verify the financial information provided by the client. The court allowed the testimony subject to "vigorous" cross examination.

Analysis: This decision appears sound, although the issue of what the defendant chooses to object to is not determinative of the Daubert standard, which should be utilized independent of the actions of the parties. In retrospect, the debtor might have employed a CPA who relied on this expert's conclusions.

6. Ramsden v. Agribank, FCB, 1999 U.S. Dist. LEXIS 13943 (Case No. 98-C-0221-C September 8, 1999).

Veterinarian was precluded from testifying regarding soils contamination by benzene and levels of benzene in Plaintiffs by using bovine urinalysis. The court found that there was no evidence that the expert had knowledge regarding soils contamination or that a test designed for animals applied to humans.

THE INTEREST RATE MODELS

In the Ninth Circuit, courts determine the appropriate discount rate, and the appropriate market rate, on a case-by-case approach. In re Villa Diablo Associates, 156 B.R. 650, 653 (Bankr. N.D.Cal. 1993). While the purpose of this inquiry is to determine the current market rate, the Ninth Circuit permits at least three separate approaches to this determination (1) an assessment of "current market interest" for similar loans in the geographical area based on evidence regarding such rates; (2) a formula-or build-up approach; and, (3) a "tranche" approach. Villa Diablo, supra., at 653; In re Fowler, 903 F.2d 694, 697 (9th Cir. 1990); In re Camino Real Landscape Maintenance and Contractors, 818 F.2d 1505,

1508 (9th Cir. 1987). See also, two excellent articles about cram-down interest rate fights, Reehl, C.B., Chapter 11 Cram-Down Plans: What is a "Market" Rate of Interest?, 23 Cal. Bankr. J. 179 (1996). Pearson, Hon. John K; Jackson, Dillon; Nohr, Tim, Ending the Judicial Snipe Hunt: the Search for the Cramdown Interest Rate, 4 Am.Bankr.Inst.L.Rev. 35 (1996).

The purpose of the formula approach is to build a rate through the use of the kinds of factors that lenders generally consider in pricing loan in the market. "Under this approach, the court starts with a base rate, either the prime rate or the rate on treasury obligations and adds a factor based on the risk of default and the nature of the security." Fowler, supra. 903 F.2d at 697 Among the factors the courts consider in assessing and selecting the ultimate rate to be applied are:

- The size and term of the loan;
- The quality of the security;
- The amount of equity in the property;
- The strength and stability of the Debtor's cash flow; and,
- Future protection, if any, by the confirmation process and post confirmation remedies

Villa Diablo , supra, 156 B.R. at 654-55.

Interesting to note in the context of the discussion of the use of experts, the court in Villa Diablo refused to adopt the lender's expert's position that a hypothetical investor/lender would demand a rate of return approaching 20% for that that portion of the loan exceeding 70% of the property's value. Such a hypothetical investor, the court reasoned, was too speculative.

The third—tranche—approach seems like a corollary of the second, and reflecting the court's willingness to view distinct components of a loan and assess different interest rates to each component. The approach attempts to view a loan in the components of (a) primary debt, i.e., 70-80% of the property's value; (b) junior secured debt; and, (c) equity. Once the different rates are determined for each tranche, a blended or weighted averaging is applied to the entire loan to arrive at a fair and equitable interest rate. See, In re Boulders on the River, 164 B.R. 99, 105-6 (9th Cir. B.A.P. 1994). In re landmark at Plaza Park, Ltd., 7 B.R. 653, 657-8 (Bankr. D.N.J. 1980). .

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EDUCATION

U.C.L.A. Law School, J.D., 1974
Order of the Coif

San Diego State University
B.A. with high honors, 1971

PROFESSIONAL
EXPERIENCE

Pillsbury, Madison & Sutro (merger with
Lillick & McHose effective 1/1/91) since
1974, partner 1980 to present; Managing
Partner of the San Diego Office 1980 to
1990; Past member of the Pillsbury
Madison & Sutro Executive Committee

PROFESSIONAL
ACTIVITIES

- Arbitrator - American Arbitration Association, 1981 to present
- Former Member, Commission on Judicial Nominees Evaluation, California State Bar (approves candidates for judicial appointment throughout California)
- Former delegate to House of Delegates, California State Bar

PROFESSIONAL
ASSOCIATIONS

- Maritime Law Association
- Former Board of Governors, Association of Business Trial Lawyers
- Past Chair - Debtor/Creditor Relations and Bankruptcy Committee, California State Bar
- Commercial Banking and Financial Transactions Committee, American Bar Association
- San Diego Financial Lawyers Group
- * Editor, ABA Commercial Litigation News Letter

L. SCOTT KEEHN. Position: Member. Born Hibbing, Minnesota; admitted to bar, 1974, California, U.S. District Court, Southern and Central Districts of California, U.S. Court of Appeals, Ninth Circuit and U.S. Supreme Court. Founding Shareholder of Robbins & Keehn, APC. Education: San Diego State University (B.S. Business Administration 1970); University of San Diego (J.D., 1974). Instructor/Panelist: Fundamentals of Organizing and Representing California Business, California Continuing Education of the Bar, 1981-1983; Chapter 11 Bankruptcy, University of California, San Diego Extension, 1983; Chapter 7 Bankruptcy The Rutter Group, 1984; Bankruptcy Litigation and Practice, Professional Education Systems, Inc., 1988. Instructor/Moderator, Representing California Corporations and their Directors, Officers and Shareholders, California Continuing Education of the Bar, 1986. Mediator, Bankruptcy Mediation Panel for the United States Bankruptcy Court, Southern District of California, 1986 -- . Member: San Diego County (Chairman, Arbitration Committee, 1983-1984; Member, Commercial Law Section, 1978) and American Bar Associations; State Bar of California; San Diego County Trial Lawyers Association; American Bankruptcy Institute; San Diego Bankruptcy Forum. Reported Cases: 40235 Washington Street v. Lusardi, 976 F.2d 587 (9th Cir. 1992); In Re Diversified Investors Fund XVII, 91 B.R. 559 (Bkrptcy. C.D. Cal. 1986); In Re Mahoney, 80 B.R. 197 (Bkrptcy. S.D. Cal., 1987); In Re Briles (Stevens v. Briles), 228 B.R. 462 (1998).

CATHRYN LOW

BUSINESS RESTRUCTURING AND INTERIM EXECUTIVE MANAGEMENT

CATHRYN LOW has twenty years experience in consulting, financial and operations management, analysis and auditing. Her expertise is design and *implementation* of measures to enhance or restore profitability, organizational cohesiveness, and motivation of employees to participate in achieving corporate goals. She has been highly successful in *executing* positive changes, usually including oft-repeated but unaddressed recommendations of other professionals, as well as improvements which management has identified but not yet effected. Cathryn has managed her own consulting practice since 1987, serving public and privately held companies across a broad range of industries. Associated with numerous consulting, accounting and legal professionals and capital providers, she offers an extensive network of resources to clients. Cathryn is a senior associate of Prolman Associates in Del Mar, CA.

SERVICES PROVIDED

Cathryn provides consulting assistance to senior management as well as interim executive management services. When necessary, she also manages divestiture or wind-down of unprofitable business segments. Typically most assignments involve an evaluation of the viability of the business given current and expected competition, demand, pricing and cost structure, management capabilities, and quality of operating and financial systems, controls and information. This analysis is followed by identifying opportunities and implementing changes to generate and conserve short-term cash, strengthen operations, enhance long-term profitability, in addition to negotiating restructuring alternatives with creditors and investors when required.

With extensive financial modeling experience, Cathryn has developed complex but concise PC-based analytical models for many clients. To allow management to address critical performance issues on a timely basis, as well as to provide meaningful information to shareholders, lenders and other constituencies, Cathryn develops and customizes appropriate daily, weekly and monthly reports and trains company personnel to fully utilize such tools. She defines the appropriate management structure and allocation of responsibilities to focus collective attention on key elements of the strategic business plan. Her focus is on training appropriate company managers in business principles and procedures to allow them to effectively manage and contribute to corporate success going forward.

PRIOR EXPERIENCE

Prior to establishing her consulting practice, Cathryn was SVP and CFO of Yankee Bank in Boston with assets of \$600 million. Directing a staff of 90, she was responsible for accounting, financial planning, budgeting and reporting, MIS, loan operations,

CATHRYN LOW, Page 2

internal audit, human resources, risk management, facilities and treasury services. Previously she served as a CPA and manager with Price Waterhouse in Boston and London. Cathryn holds a BA in biological sciences from Mount Holyoke College (1974) and earned an MBA in accounting and finance from Columbia University (1977).

LECTURES AND SEMINARS

Ms. Low offers lectures to various professional organizations (American Bankers Association, A.I.C.P.A., etc.) on warning signs of troubled companies, business management in a down economy and principles of business turnarounds. She has given training seminars to financial institutions on loan workout and managing asset recovery. While on assignment in London with Price Waterhouse, she lectured at the Bank of England on foreign exchange trading controls.

REPRESENTATIVE CLIENT ENGAGEMENTS:**Turnaround consultant for \$120 million electronics repair and parts service provider, 6 domestic and 3 European facilities.**

Provided interim crisis management during period of negotiations with lender and prospective buyers which culminated in merger of the business and injection of \$33 million in capital from new investor. Managed liquidity and relations with critical vendors. Restructured finance operations, cut corporate staff from 69 to 23, outsourced MIS operations reducing cost 75%. Subsequent to merger, liquidated assets and closed facility of unprofitable business segment of acquiring company.

Disposition of 130-bed hospital and 5 healthcare provider subsidiaries.

Under an assignment for the benefit of creditors, liquidated all assets of mismanaged and insolvent healthcare entities. Generated invoices for previously unbilled services, collected patient receivables, sold real estate and physical assets. Reconciled accounts and negotiated settlements with private insurance carriers, Medicare, Medicaid, and the Massachusetts Rate Setting Commission. Scrutinized creditor claims prior to payment and reported quarterly progress to creditors and regulatory agencies.

Acting Chief Executive Officer for weapons manufacturer, \$100 million sales.

Reduced overhead by \$2.5 million through restructuring commercial, military and administrative functions. Increased variable profit margins by upgrading production planning, materials management and quality control, and by creating a program to increase productivity by 25% by changing both management and labor supervisory and incentive practices. Established executive management committee with weekly task agendas focused on business turnaround actions. Solicited employee involvement through open communication, task-specific "quality circles" and active feedback and interaction. Negotiated debt/equity restructuring and forbearance agreements with owners, bank and government agency lenders, patent and trade name licensors, and trade creditors.

CATHRYN LOW, Page 3

Preparation for reorganization of \$90 million public company engaged in emergency medical transportation and aerologging.

Orchestrated company's preparation for filing Chapter 11 including the restructuring business plan. Implemented executive reorganization and layoff of 20% of corporate staff. Convened meeting of 40 secured creditors with interests in 90 aircraft and other assets to outline company's condition and alternative restructuring options. Enacted strict cash management program which conserved over \$1 million in cash.

Evaluation of losses in \$8 billion real estate loan portfolio.

As expert witness involving shareholder litigation, analyzed causes of \$1.5 billion loss in approximately 500 commercial real estate loans and development projects nationwide suffered by a \$19 billion financial institution. Identified deficiencies in underwriting, appraisal and loan monitoring practices which contributed to reported losses. Resulted in significant settlement in favor of client.

Business restructuring plan for publicly held equipment rental agency, \$100 million sales, 250 locations nationwide.

Developed a strategic business plan to consolidate and redistrict office locations, downsize inventory and operations, and centralize all administrative functions under corporate control. Created a cost/volume/profit model used for pricing, marketing and operating decisions. Conducted training sessions for all corporate, regional and district managers on the applications of this methodology for planning and managing rental operations. Actions reversed annual losses of \$9 million to break-even.

Due diligence on REIT with 35 properties, in default on \$130 million loan.

Performed due diligence review of cash, operational controls and financial projections of a REIT with 35 hotel properties on behalf of multiple lenders participating in a \$130 million loan restructuring. Highlighted areas of noncompliance with restrictive covenants and inconsistent business plan assumptions.

Cash and operations control for manufacturer, \$90 million sales.

Controlled cash and operations of a failed window/door manufacturer; analyzed cost and risk of consolidation, liquidation and filing alternatives available to the secured lender.

Bankruptcy Examiner and Court Appointed Expert.

Appointed as Examiner and Expert by U.S. Bankruptcy Court to analyze insider transactions, adequacy of Debtor's disclosure and results of operations during Chapter 11 for a \$100 million construction business.

Consultant to Unsecured Creditors' Committee.

Appointed as consultant to unsecured creditors' committee and to senior lender (under a creditor sharing agreement) in a Chapter 11 case involving a \$20 million photo album manufacturer. Conducted weekly visits and evaluations of the debtor's performance, critiqued debtor reorganization plans, and advised committee on recommended strategy. Assisted attorneys with evidence and argument in Bankruptcy Court proceedings.