



VALUESCOPE

Measure | Defend | Create

Your Trusted Advisor Throughout the Process



BANKRUPTCY SERVICES

- VALUATION
- FORENSIC AUDITS
- EXPERT WITNESS

Adequate Protection (Section 361)

Relief from Automatic Stay (Section 362)

Asset Sales (Section 363)

Debtor in Possession Financing (Section 364)

NOL Carry Forward (Section 382)

Secured Claims Status (Section 506)

Preferential Transfers and Insolvency
(Section 547)

BANKRUPTCY, INSOLVENCY AND REORGANIZATION SITUATIONS

Effective Cross-Examination

Discover Weaknesses in
Opposing Arguments

Demystify Fair Value

Reconstruct Financial
Statements

Serve as Financial
Mediator

Analyze and Quantify
Causation, Mitigation
and Damages

As a recognized national valuation and advisory firm, ValueScope, Inc. provides sophisticated analyses and expert testimony in bankruptcy, insolvency and reorganization situations

BANKRUPTCY, INSOLVENCY AND REORGANIZATION SITUATIONS

OUR FOCUS

- Create or access a reorganization financial plan
- Analyze and value debt and equity restructuring proposals
- Prepare or review financial forecasts and projections
- Value collateral to various classes
- Test going concern versus liquidation presumptions of plans of reorganization or liquidation
- Identify spin-off opportunities
- Prepare or review fraudulent conveyance analysis
- Express a solvency or insolvency opinion
- Provide expert financial testimony using sophisticated analysis

ValueScope is an independent advisor with the experience and resources to provide admissible financial analysis

ValueScope can assist with the execution of successful turnaround strategies and reorganization plans using its expertise in insolvency, valuation, forensic and investigative accounting, tax and litigation consulting. Critical insight is provided to help protect and enhance the interests of creditors, management and shareholders.

SERVICES OFFERED TO TROUBLED COMPANIES INCLUDE:

- Forecasting cash flow
- Analyzing profitability
- Evaluating assets
- Investigation specific transactions
- Monitoring performance
- Evaluating and developing business plans
- Negotiating with creditors and shareholders
- Developing corporate plans
- Conducting viability analysis
- Identifying financial alternatives

INVESTIGATIVE CAPABILITIES

- Contract disputes
- Business interruptions
- Construction litigation
- Corporate reorganization and liquidation
- Damage and lost profit computations
- Deepening insolvency
- Environment litigation
- Intellectual property disputes
- Lender liability
- Marital dissolution
- Product liability
- Shareholder and partner disputes
- Wrongful termination

With investigative, bankruptcy and valuation expertise, ValueScope is well qualified to assess economic damages, trace funds and assets, reconstruct accounting records, analyze business operations, offer opinions of value, conduct fraud investigations, and provide other litigation consulting services.

Not Just Valuation Analysts – We are: CPAs, CFFs, CFAs, ASAs, ABVs, CVAs, CGMAs, PhDs, Economists, and Engineers,

WE WILL PREPARE YOU TO DISCUSS THESE FACTORS

- | | | | | |
|----------------------------|-----------------------------------|----------------------------------|-----------------------------|-----------------------------|
| • Adjusted Working Capital | • Cost of Equity Capital | • Economy | • Operating Cash Flow | • Operating Cash Flow |
| • Business Model | • Credit Ratings | • EPS | • Operating Leverage | • Operating Leverage |
| • Capital Asset Pricing | • Critical Success Factors | • Fundamental Multipliers | • Operating Margins | • Operating Margins |
| • Capital Resources | • Current Deals | • Growth Rates | • Optimal Capital Structure | • Optimal Capital Structure |
| • Cash Flow Components | • Current Events | • Hedging Strategies | • Optimization | • Optimization |
| • Cash Sources and Uses | • Dilution Analysis | • Internal Rate of Return | • Present-Value Factors | • Present-Value Factors |
| • Compensation Structure | • Discounted Cash Flows | • Levered Beta | • Projections | • Projections |
| • Competition | • Duration-Matching | • Liquidity | • Ratio Analysis | • Ratio Analysis |
| • Competitive Response | • EBITDA | • Market Capitalization Analysis | • Regression Analysis | • Regression Analysis |
| • Conversion Features | • Economic vs. Accounting Profits | • Market Segmentation | • Risk-Adjusted Returns | • Risk-Adjusted Returns |

VALUESCOPE'S UNIQUE EXPERTISE

ValueScope is a team of experienced valuers and financial economists. We are Certified Public Accountants; but we are also CFAs, ASAs, ABVs, CFFs, CVAs, PhDs, economists, engineers, board members and former corporate executives.

We've run large project teams and successful companies. We've turned around struggling business units. We

have invested in, bought, and sold businesses. Depth and breadth of talent is what sets us apart. When we applied academic rigor to valuation analyses, we changed the valuation industry forever. Today, we remain at the forefront — offering sophisticated financial and econometric analyses supported by robust theory and empirical data.

Our expertise assures you that our Bankruptcy Valuation Reports go beyond the traditional valuation by assessing of the sustainability and accuracy of historical earnings and achievability of future projections.

As a result of decades long experience with the multitude of factors affecting valuations, we are able to better assess the reorganization value which will impact your pricing, structure and risk of any prospective deal. Many of the issues, such as transaction terms and pricing, executive compensation, intercompany transfer pricing, investor and shareholder claims, budgeting and projections have been litigated utilizing ValueScope as expert witness, be it in the U.S. Tax Court or federal or state courts. We have therefore addressed most issues relating to Bankruptcy Valuations at the highest level of scrutiny, with significant success.

OUR DEEP, BROAD EXPERTISE IS FURTHER DEFINED:

EXECUTIVE COMPENSATION

- Peer group comparative analysis
- Multi-level corporate structures
- Cash & long-term incentives
- Benefits packages
- Perquisites
- Performance analysis
- Annual and long-term metrics

FINANCIAL FORENSICS

- Financial auditing skills to identify criminal financial activity
- Tracing fraudulent activities
- Fraudulent transfer analysis
- Money laundering and Ponzi schemes

TRANSACTION ANALYSIS

- Fairness & solvency opinions
- Contingent consideration valuations
- Purchase price allocations
- Goodwill impairment
- Voting premiums & discounts
- Intangible asset valuation
- Analyzing accounts receivables
- Customer turn analysis

DERIVATIVE SECURITIES

- Waterfall analysis for multi-level cap tables
- Probability weighted expected return method
- Valuation of embedded securities
- Monte Carlo simulation

TRANSFER PRICING

- Market-based techniques
- Benchmarking studies
- Inter-company pricing policies
- Cost sharing agreements
- Functional and economic analysis

CREDIT RISK ANALYSIS

- Merton Model
- KMV Model
- Cash coverage analysis
- Credit score / rating analysis
- The 5 C's of credit analysis

QUALITY OF EARNINGS

- Determining what drives EBITDA
- Test the business plan assumptions
- Balance sheet review for effects on profits
- Funding capacity, leverage, and financial structure

IP AND INTANGIBLE ASSET VALUATION

- Contract-related (e.g., favorable supplier or other product/service contracts)
- Customer-related (e.g., customer lists and customer relationships)
- Data processing-related (e.g., computer software, automated databases)
- Engineering-related (e.g., patents, trade secrets)
- Goodwill-related (e.g., going-concern value)
- Human capital-related (e.g., employment agreements, a trained and assembled workforce)
- Internet-related (e.g., domain names, process applications, services and delivery systems)
- Literary-related (e.g., literary copyrights, musical composition copyrights, movies, plays)
- Location-related (e.g., leasehold interests, certificates of need)
- Marketing-related (e.g., trademarks and trade names)
- Technology-related (e.g., engineering drawings and technical documentation)

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POSTAGE

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VALUESCOPE
Measure | Defend | Create

BUSINESS VALUATION
LITIGATION SUPPORT
HEALTHCARE FMVS
ENERGY VALUATION

FINANCIAL REPORTING
TRANSACTION ADVISORY
TRANSFER PRICING
QUALITY OF EARNINGS

FAIRNESS OPINIONS
SOLVENCY OPINIONS
TAX REPORTING
EXECUTIVE COMPENSATION

INDUSTRIES

- Technology
- Telecommunications
- Software
- Media
- Entertainment
- Wholesale
- Energy
- Oil & Gas
- Transportation
- Aircraft
- Manufacturing
- Distribution
- Retail
- Insurance
- Professional Services
- Healthcare
- Human Resources
- Consumer Products
- Financial Services
- Brokerage
- Banking
- Construction
- Food Service
- Agribusiness

RESOURCES SUPPORT

Bloomberg



BANKRUPTCY VALUATION & EXPERT SERVICES