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SUMMARY

Ms. Howdeshell specializes in financial analysis and calculations involving disputes. She works with a broad range of firms/industries in both litigation and non-litigation settings. Her usual assignments include lost profits analysis, valuation, forensic accounting, and royalty and distribution audits.

LICENSES AND CERTIFICATIONS

Certified Public Accountant – California

Certified Fraud Examiner

EDUCATION

Bachelor of Science, Commerce, with Concentrations in Finance and Marketing, and Secondary Major in Psychology, McIntire School of Commerce at the University of Virginia, Charlottesville, Virginia

The European Union: Social, Economic and Political Perspectives, University College of Oxford University, Oxford, England

EMPLOYMENT

Fulcrum Financial Inquiry LLP and affiliates; May 2002 – present

Arthur Andersen LLP; July 1998 – May 2002

PROFESSIONAL ASSOCIATIONS

Association of Certified Fraud Examiners

REPRESENTATIVE ENGAGEMENTS

Provided expert advice and in many cases created expert reports/trial presentations reflecting the analysis performed in the following representative engagements:

Lost Profits/Income and Business Interruptions

- Calculated the lost profits and avoidable expenses by a construction equipment company based on allegations of interference and reasonable reliance on the representations of a supplier. Also provided expert witness testimony in deposition.
- Calculated the lost profits of a mobile content distribution company in the adult entertainment industry had a contract with a content supplier been extended. The review and rebuttal of opposing expert

analysis was also a major component of this assignment. Also provided expert witness testimony in deposition and arbitration.

- Calculated lost income associated with a commissioned salesman's claim for wrongful termination and his election to start a competing venture. Also provided expert witness testimony at trial.
- Calculated lost income associated with an interruption in the business of a sole proprietor of a plumbing company after an alleged medical malpractice. Also provided expert witness testimony in deposition and at trial.
- Calculated the lost investment returns that would have been available had an alternate investment strategy been pursued by a financial advisor. Also provided expert witness testimony in deposition.
- Evaluated the damage claims of franchisees who alleged misrepresentations by the franchisor. Also calculated losses suffered by the franchisor due to nonpayment of royalties and marketing fees.
- Analyzed avoidable damages associated with a Ponzi scheme that were allegedly due to failures by its outside auditor.
- Calculated lost profits under an alleged broken supplier contract between an Indian t-shirt manufacturer and an American reseller.
- Calculated lost profits and disgorgement for trademark infringement regarding lockboxes and bolts for cable television.
- Calculated lost profits under an agreement to provide screening services for pictures uploaded to a social networking website.
- Calculated the lost profits under a terminated worldwide contract to develop and market security screening equipment. Also evaluated going concern considerations for one of the parties to the contract.
- Calculated lost profits associated with an agreement to provide lead generation services for automobiles.
- Calculated reliance damages based on an actress' failure to comply with contractual requirements to participate in the publicity for a film. Also determined the fair market value of her publicity and promotional services.
- Calculated lost profits under the early termination of a lease with a Las Vegas restaurant and nightclub.
- Calculated the lost profits of a satellite television vendor as a result of alleged quality issues with a supplier.
- Calculated the lost profits of a mobile content distribution company due to the early termination of a contract to provide content.
- Determined the losses suffered by a Las Vegas hotel/casino as a result of its delayed opening and impaired goodwill, as well as the lost opportunities related to expansion plans. Analyzed expected and actual play and win rates on various casino games, the seasonal interaction of hotel occupancy and average daily rates at the hotel, and the incremental costs for each arm of the facility.
- Determined the losses suffered by the sunglasses division of a well-known sporting goods and apparel company as a result of interference by a competitor with both supplier and vendor relationships.

Analyzed the reasonableness of client forecasts in determining the differential between expected and actual results of operations.

- Analyzed lost profits and performed a disgorgement calculation resulting from patent infringement by a massage table manufacturer. This assignment included analysis at various stages of distribution to encapsulate unjust enrichment at both the wholesale and retail levels.
- Investigated allegations of theft of trade secrets and customer lists by former employees of a telemarketing company selling computer supplies. The review and rebuttal of opposing expert analysis was also a major component of this assignment.
- Analyzed claims of copyright infringement and unfair business practices against an online subscription service company in the adult entertainment industry. This assignment involved an assessment of customer overlap between the two companies, actual damages suffered by the plaintiff and the reasonableness of projections set forth by the plaintiff given the market conditions and competitive landscape.
- Analyzed and responded to claimed lost profits by a car dealership for the loss of display and storage space resulting from structural damage to the lot. Analyzed industry performance, average markups and sales history to demonstrate the improbability of plaintiff's estimates of lost sales and profits.
- Acted in a neutral third-party capacity to analyze the damage calculations set forth by two parties in an oil drilling arrangement. This assignment involved the interpretation of various contract provisions and the evaluation of the economic intent of the arrangement.
- Analyzed and responded to claimed lost profits from an interrupted contract to manage an Indian gaming facility.
- Determined lost profits suffered by a radio company after a former supplier began selling radios which infringed upon its patents. Also performed a disgorgement calculation of the supplier's sales.
- Calculated the lost profits of a Las Vegas convention hall and hotel/casino as a result of a broken contract to hold a prominent convention in its space.
- Analyzed and responded to claimed lost profits after the departure of a key employee resulted in a loss of customers and other employees of a title company.
- Calculated the lost profits and disgorgement damages related to patent infringement by a lighting company.
- Calculated the lost profits related to broken contract to buy food products from a supplier.
- Calculated the lost profits related to a broken contract to provide coffee making products from a supplier.
- Calculated the lost profits related to alleged marketplace confusion after former employees of a biotechnology company started their own competing company.
- Calculated the lost profits of a film production company as a result of alleged interference with their contractual relationships with their distribution company.
- Calculated the lost profits of a construction company based on alleged interference with contractual relationships by a former employee who had started a competing venture.
- Calculated the lost profits of a restaurant/bar/nightclub due to alleged harassment by local authorities.

- Calculated lost profits based on commissions due to a distributor of cosmetic products under an allegedly interrupted contract.
- Calculated lost profits associated with the incremental piracy of a satellite television provider after an alleged security breach.
- Calculated lost profits associated with an injury to the owner of a water truck company. Analyzed various incomplete and inconsistent records and activity indicators.
- Calculated the lost income suffered by the owner of a media company related to alleged wrongful interference and malicious prosecution by other owners of the business.
- Calculated lost profits associated with faulty equipment purchased for use in a dental practice.
- Calculated lost profits and disgorgement related to the decision by a foreign language television channel distributor to cease its exclusive relationship with a satellite television provider in favor of another company.
- Calculated lost profits associated with a terminated distribution agreement to sell public address and intercom products to school districts. The incremental cost to obtain the same products through a different supply chain was also a significant component of the analysis.
- Calculated the lost profits associated with lost deposits in a banking division when a competitor bank interfered with prospective employee relationships by improperly representing the enforceability of a non-compete clause.
- Calculated the lost profits associated with an allegedly defamatory email regarding an art dealer's business practices.
- Investigated claimed lost profits associated with an agreement to outsource manufacturing of children's products to a Chinese manufacturing company.

Forensic Accounting, Fraud & Financial Investigations

- Operate and man an independent ethics and whistleblower hotline for issues related to financial reporting and fraud on behalf of numerous publicly traded companies and nonprofit entities.
- Investigated issues of alter ego and corporate veil between various related party entities in the beauty industry. Areas of investigation included whether assets were commingled, whether transactions were at arm's length, whether entities were adequately capitalized, and whether financial records were kept accurately. Also provided expert witness testimony at trial.
- Analyzed the appropriate treatment under Generally Accepted Accounting Principles for various transactions that were expensed rather than capitalized. Calculated an executive's early termination salary and bonus payout accordingly, including valuation of stock options. Also provided expert witness testimony in deposition and arbitration.
- Investigated criminal allegations of fraudulent expenditures and improper use of construction funds by a general contractor. Analyzed accounting and banking records to trace investor activity and research and categorize all expenditures.
- Investigated the financial records of an aircraft company claiming investment and losses evidenced in their financial records. Identified and documented evidence of multiple sets of books, alterations to accounting records just prior to production of documents, the inclusion of significant personal expenses

and inconsistencies with supporting records that served to demonstrate the financial records were unreliable and the claimed amounts were inflated.

- Analyzed the amount due under a promissory note with various conflicting sources of data regarding the value of collateral relinquished, payments and balances over time. Reviewed QuickBooks records regarding the operations of a rental property and identified red flags with regard to revenue reporting and questionable expenses. Also provided expert witness testimony in deposition and trial.
- Analyzed amounts allegedly embezzled by a lawyer from a family member through inflated billings, unauthorized borrowing and other misappropriation of assets. Also provided expert witness testimony in deposition.
- Investigated the sources of funds used to purchase and maintain a rental property in light of contested ownership interests and contribution amounts. Also provided expert witness testimony at trial.
- Traced evidence of the amount of community property versus separate property contributed to various retirement investment accounts and provided scenarios of possible associated investment returns during the marriage for a separation of the asset values in a divorce. Provided expert witness testimony at trial.
- Investigated concerns by a minority partner that he was not receiving proper distributions. Identified evidence of misappropriation of funds, including missing revenues, improper salaries, related party transactions at inflated prices and extensive charges without documented business purpose for luxury items, meals, travel and entertainment expenses that decreased profits despite substantial revenue growth. Also provided indications of value and considerations for a current valuation of the partner's interests.
- Investigated claims regarding defendants' net worth that were asserted in a settlement agreement.
- Investigated claims of financial hardship and distress in a mortgage dispute. Identified millions of dollars of funds flowing through various investment and bank accounts, multiple investment property purchases, and payment for various travel and luxury items during the period of nonpayment.
- Investigated allegations regarding the improper management and reporting of various residential real properties held in a trust. Analyzed the financial statements and trust accountings to trace contributions from and distributions to the trust and its beneficiaries.
- Analyzed the sources and uses of funds involved with multiple real estate investment properties acquired over a lengthy period of time in light of claims of investment / ownership by two parties.
- Investigated the accuracy of historical financial statements presented in connection with the sale of a sports related division of a pharmaceuticals business. Prepared a revised financial statement utilizing the entity's QuickBooks records, bank statements and other relevant data. Identified evidence of alterations to the QuickBooks records surrounding key general ledger accounts and dates. Also provided expert witness testimony in deposition.
- Traced the investment activity associated with claimed net winners in an alleged Ponzi scheme. Also provided expert witness testimony in deposition.
- Traced payments made to or on behalf of various family members under a claim of financial elder abuse. Also provided expert witness testimony at trial.
- Investigated claimed project costs allegedly invested by multiple entities related to a real estate development deal. Examined actions by the plaintiff against the "Badges of Fraud". Also provided expert witness testimony in deposition.

- Investigated the flow of funds between related entities on behalf of an investor and identified various alterations to financial records and other accounting irregularities. Also provided expert witness testimony in arbitration.
- Investigated a claim that a downturn in business was the basis for firing an employee on disability leave. Identified evidence of multiple sets of books, transactions that were inaccurately classified or later modified, and other information that contradicted that the company was in a cash preservation mode. Prepared a trend analysis based on alternative records and calculations related to underpayment of the employee's overtime during her tenure. Also provided expert witness testimony at trial.
- Traced the activities of a collections agency that had been hired to pursue medical billings. Compared reported collections against daily activity reports, extrapolated results for periods where documentation was no longer available and investigated duplication/inappropriate charging of fees. Also provided expert witness testimony in deposition.
- Traced the performance of various real estate investments and the distributions made to various owners. Calculated distributions due to an individual under the rules pertaining to S corporations. A significant portion of this assignment included compiling results from various, sometimes contradictory sources, such as bank statements and check copies, general ledgers and tax filings. Also provided expert witness testimony in deposition and at trial.
- Analyzed the destination of funds distributed by a tribal casino after allegations of embezzlement against tribal leaders. Traced the sources and uses of cash, identifying numerous questionable expenditures and asset acquisitions.
- Analyzed the use of approximately \$100 million in funds available under various film financing and marketing agreements and whether repayments based on film performance were appropriately made. This assignment also included analysis of whether various draws met the funding criteria, whether funds were spent under the terms of the agreements, whether various related party transactions were at an arm's length, whether obligations were commingled and whether various entities were improperly capitalized.
- Investigated issues of alter ego and corporate veil between various related party entities in relation to an amusement park. Areas of investigation included the feasibility/performance of the business plan, whether assets were commingled, whether transactions were at arm's length, whether entities were adequately capitalized, whether financial records were kept accurately and whether transactions with owners provided an inequitable result.
- Analyzed the payment practices of a casino operator across various categories of obligations in the months leading up to its bankruptcy filing.
- Analyzed the use of funds by a private equity firm on behalf of an investor. Investigated the investments made and appropriateness of preferred returns, insider payments and capital distributions, as well as the existence of and interest rates for numerous unpaid insider loans across multiple related entities. Also investigated the value of remaining assets.
- Analyzed whether various expenditures should be expensed as repairs or capitalized in order to assess responsibility under a shared maintenance agreement.
- Analyzed the performance of a real estate investment company alleged to be operating as a Ponzi scheme, including an assessment of its insolvency at the time audited financial statements were provided.

- Analyzed the appropriateness of costs charged and distributions made to members of a class action settlement under a contingent fee agreement with their lawyers.
- Analyzed allegations of improper use of trust funds by a fiduciary. This project involved the detailed examination of various changes over time to financial records across multiple entities.
- Performed cost verification and other compliance testing regarding amounts submitted for payment by a general contractor on behalf of itself and various subcontractors. Also analyzed claimed lost profits on the associated building related to construction defect claims.
- Analyzed the system of internal controls at an auto dealership where the CFO had stolen millions of dollars over a multi-year period. Also provided expert witness testimony in deposition.
- Analyzed the system of internal controls and other financial practices at a medical facility where the CFO was misappropriating checks with alleged compliance of the owner. Also provided expert witness testimony in deposition.
- Investigated an accusation that the President and CEO of a charitable organization was misappropriating assets. Performed interviews and analyzed various documents related to company credit card charges, expense reimbursements and timekeeping. Provided information regarding internal control deficiencies.
- Investigated a claimed wrongful accusation that a family member had misused funds in joint accounts, causing her to be disinherited.
- Investigated allegations of self-dealing and poor financial oversight by a trustee. Tested the veracity of financial records and a sample of transactions and identified internal control weaknesses.
- Investigated misappropriation of assets by the CFO of a beauty products company via unauthorized payroll advances, improper payment of professional fees to a related company and undocumented expense reimbursements.
- Analyzed the system of internal controls at a company where an employee forged checks.
- Analyzed the system of internal controls at a company where an employee allegedly stole customer money orders and concealed the fraud through the financial recording process.
- Investigated claims that financial records kept in QuickBooks did not accurately reflect the activities of a custom clothing company and that a minority shareholder was being treated unfairly. This assignment also included an assessment of the company's compliance with rules pertaining to S corporations and a calculation of the change in valuation of the company while in the hands of the majority shareholders.
- Investigated various claims of misuse of the bankruptcy process, including whether the bankruptcy filing was made in good faith, the improper activities of the owner that had contributed to the financial position (including investigations of fraudulent conveyances and improper expenses), and the existence of liabilities in excess of what was reported to the court that would support the appointment of an examiner. This assignment also included an assessment of the debtors' ability to successfully emerge from bankruptcy.
- Investigated claims that financial records provided in connection with the sale of a corporate jet rental company overstated asset values.
- Calculated the amounts due to the developer and investor under a joint venture to develop and resell various properties.

- Investigated claims that fraudulent transactions with a related party were used to increase the reported profitability of a construction company.
- Determined the profitability of one division of a major apparel manufacturer where two employees had a profit participation interest and had alleged fraud. This assignment included constructing detailed financial statements of the division from inception and involved cost and revenue verification, cost segregation methods and the separation of a combined asset-based lending arrangement with a factoring company. The review and rebuttal of opposing expert analysis was also a significant portion of this assignment.
- Analyzed the appropriateness of certain transactions under Generally Accepted Accounting Principles for a technology company where allegations had been raised against management under the Sarbanes-Oxley Act. The transactions involved the appropriateness of revenue recognition under various circumstances, including advertising barter, alleged circular transactions, related party transactions and revenues that were the subject of litigation. Also calculated damages suffered by the company as a result of excessive salaries, bonuses, restricted stock, stock options and other formulaic amounts paid to the executives involved, as well as legal fees and settlements costs.
- Analyzed the appropriateness of a dividend distribution to an owner under California Corporations Code given the financial position of the company on the date of the distribution and the company's subsequent sale and ultimate bankruptcy.
- Investigated allegations of below cost pricing by a well-known bicycle manufacturer. This assignment required detailed cost build ups of various products and analysis of the competitive landscape.
- Performed investigative testing and cost verification in a lawsuit between a contractor, various sub-contractors and the City of Los Angeles regarding the building of a waste treatment plant.
- Analyzed investments and payments and calculated profits related to various real estate partnerships and promissory notes over a twenty-year period. This assignment involved the detailed construction of financial records from various incomplete sources of records.
- Tracked the financial performance of a medical company and identified questionable expenditures by a fiduciary. Also calculated the potential amount due to a shareholder under a contractual buyout provision.
- Investigated allegations of below cost pricing by one of the largest in-store music providers. Created detailed cost build ups of various products which included analysis of all direct and indirect expenses and determination of costs drivers for allocation purposes. This assignment also included determining lost profits due to a lost contract with a large drug store chain resulting from the below cost pricing.
- Tracked the earnings of a trust with ownership in multiple oil and entertainment companies and the appropriateness of allocations and distributions to various beneficiaries.
- Calculated the investments by and profits due to the individual partners under an agreement to jointly buy, improve and sell various properties.
- Traced the financial performance of various companies and accounts over decades in order to establish the total amount under dispute in a domestic partnership.
- Traced the investments in and expenditures of an internet incubator company. Also performed a study of the success rate of similar entities during the same time period.

- Investigated and documented amounts paid to purchase and maintain an investment property and traced the sources of those funds back to two respective parties in an ownership dispute.
- Traced the sources and uses of funds through various bank accounts and retirement investment accounts to demonstrate the lifestyle enjoyed by parties claiming financial hardship.

Royalty, Distribution and Contractual Compliance Audits

- Performed a distribution audit on behalf of a major motion picture studio in light of a domestic and international distribution agreement with another major studio. This assignment involved visiting major distribution centers and performing onsite examinations of records and assisting in negotiations based on the multi-millions of dollars in findings.
- Performed a royalty audit on behalf of the creator of an ensemble performance that toured worldwide. This assignment included extensive contract review to identify inconsistencies between the underlying contracts and the general ledgers.
- Performed multiple royalty audits on behalf of a patent holder for medical equipment. This assignment required application of the divergent terms of multiple contracts as a result of industry consolidation. Extrapolation for missing data was also a factor.
- Audited a cable network's compliance with the terms of a Most Favored Nation's provision in its contract with a satellite television provider.
- Audited the Most Favored Nations provision of a contract between a satellite television provider and a cable network. Also calculated lost profits to the satellite provider under an abandoned joint promotional effort.
- Analyzed compliance with a shelf space requirement in a contract for video on demand distribution. Prepared a damage calculation to value shortfalls. Also analyzed lost profits associated with a failure to air advertising spots and a failure to comply with a non-compete provision.
- Analyzed participation statements related to a popular premium cable series.

Advisory Services & Valuations

- Analyzed future prospects for a business that arranged for the formulation and manufacturing of pet products and other largely promotional items, generally in China, on behalf of well-known brands. Made numerous corrections to the valuations prepared by each party's advisors and the valuation put forth by an opposing expert pursuant to the terms of a Buy Sell Agreement to determine the buyout value of one parties' share. Evaluated claims for unjust enrichment for customer relationships alleged to have been improperly diverted to a third party. Also provided expert witness testimony in deposition and at trial.
- Investigated alleged business losses associated with a personal injury claim and valued an associated life care plan. Provided expert witness testimony at trial.
- Determined the net operating income of a large commercial building and evaluated purchase offers in relation to the property's value as a hotel, retail space, office space or mixed-use building. Also provided expert witness testimony in deposition.
- Determined the fair value for publishing rights for a photograph of a local celebrity and any reduction in the photograph's value as a result of publication. Also performed a disgorgement calculation regarding the additional profits derived from its usage in a magazine in relation to a copyright infringement claim. Provided expert witness testimony at trial.

- Analyzed member contributions and distributions and calculated the IRR on a proposed sale of a mobile home development to determine allocation of proceeds under a contractual bonus percentage if a certain performance level was achieved.
- Analyzed the value of an experimental aircraft that was damaged in a storage facility.
- Analyzed the lost income of an employee claiming he was wrongfully terminated by a multi-national janitorial services company. This assignment included a valuation of the competing entity he founded after his dismissal.
- Analyzed the cash needs of a beverage company when one owner attempted to compel a cash distribution. This assignment also included an investigation into various trust holdings outside of the company.
- Analyzed the valuation of a leading, global independent TV production company, including an assessment of conclusions based on various approaches such as discounted cash flow analysis, precedent transaction analysis, trading multiples and various combinations and iterations thereof.
- Performed a market assessment for a beauty product, including analysis of potential licensing opportunities and royalty rates.
- Analyzed the value of the use of a celebrity name in a press release by a clothing company and evaluated any related economic damages associated with the use. This assignment included analysis of (i) the alignment between the celebrity image and the brand image, (ii) actual licensing history by the celebrity and (iii) rebuttal of the advertising value calculation put forth by another expert.
- Calculated the lost value of a clothing company after a customer with whom it had an exclusive relationship went out of business. Provided expert witness testimony in deposition and trial.
- Examined the circumstances surrounding the loss in value of a company following its acquisition and the subsequent loss of a key customer. Analyzed information available to buyer and seller prior to the acquisition to address the appropriateness of disclosures and the potential impact on the value.
- Calculated the loss in value of a company when the seller failed to comply with an ongoing employment contract. An examination of the representations made by the seller regarding the company's prospects prior to the acquisition was also a component of this assignment.
- Calculated the loss in value associated with the shuttering of a regional sports network.
- Calculated the value of a Major League Baseball team.
- Determined the fair market value of an adult entertainment company in order to determine the amount owed to an owner who claimed to have been forced out of the company.
- Evaluated two proposals governing the distribution of regional sports programming to determine which was more consistent with fair market value based on a statistical analysis of comparable contracts. Specifically analyzed the impact of a Most Favored Nations provision in one of the proposals.
- Analyzed the appropriate level of cash required for the ongoing operations of a business that had impaired borrowing ability due to a dispute between its two major shareholders. Also investigated the use of cash in a trust for the benefit of a related party.
- Assisted the Internet Corporation for Assigned Names and Numbers ("ICANN") to assess the viability of 44 different business models for introducing new top-level domains similar to .com, .net and .org.

Analyzed the potential market, the revenue model, the marketing plan and assessed the availability of resources to meet the plan.

- Performed competitive landscape analysis on behalf of a Fortune 500 information technology distributor for corporate strategy purposes. The market assessment analyzed the changes in the distribution patterns for various product categories and assessed this impact upon the client.
- Analyzed fulfillment costs of cell phone warranty protection program and conducted a market study of cell phone prices and activation costs for new and used equipment. Also determined a reasonable profit rate for the industry.
- Analyzed various fees charged by a ticket distribution company to determine whether they represented the value of the services provided and/or approximated the actual cost to the company of providing those services.
- Calculated a theft loss related the merger of two multi-billion dollar public companies. Determined the fair market value on the merger date of the entity where fraud was alleged had all material facts been known. This assignment also included re-creation and adjustment to various models used by the investment bank who served as the advisor in the transaction.
- Analyzed the amounts due to the purchaser of a business under a purchase price adjustment provision of a sale contract related to changes in working capital between the date of the agreement and the date the transaction closed.
- Analyzed the methodology applied in valuing an international reality television production company.
- Performed multiple business valuations and lost profit calculations for the commercial residents of a building after an incident with the electrical transformer.