

Michael S. Gilburd, ASA, MST, CPA¹

ValuCorp
11811 North Tatum Boulevard, Suite 3031
Phoenix, Arizona 85028

T 480.367.2622 F 602.391.2992 C 602.882.2486 e-mail: mGilburd@ValuCorp.com

Qualifications

Employment – primary past 20 years

ValuCorp International, Inc., President, from 2000 to present

American Express companies: American Express Financial Advisors and American Express Tax & Business Services, Managing Director of Corporate Finance & Business Valuations, from 1995 to 1999

BDO Seidman, National Director of Corporate Finance & Business Valuations, and a member of the international corporate finance committee, from 1990 to 1993

Director and Advisory Board Experience

Associated Physicians Group, *Chiropractic Medicine, Pain and Rehab facilities*, O'Fallon, Illinois

Arrowhead Health, *Family Medicine, Pain and Rehab facility*, Glendale, Arizona

Alden Lee Company, Inc. *Music furniture manufacturer*, Redwood City, California

Freedom Golf Corporation *Manufacturer of golf clubs*, Englewood, Colorado

LJ International, *designer, manufacturer, and marketer of jewelry using precious and color gemstones, and diamonds*, Hung Hom, Hong Kong.

Degrees and Licenses

- Accredited Senior Appraiser, American Society of Appraisers (Business Valuation Specialty – 1989 to present)
- CPA (¹New York State 1973 – inactive)
- NASD General Securities Principal (1984 – 2002)
- SEC Registered Investment Advisor (1996 – 2002)
- Masters of Science in Taxation, 1978, Bentley College, Massachusetts
- Bachelor of Science degree in Accounting, 1965, Long Island University, New York

National Seminars and Teaching

- American Express Financial Advisors Inc.
- American Express Tax and Business Services Inc.
- American Institute of CPAs
- BDO Seidman
- Bentley College
- Boston University Metropolitan College
- Executive Enterprises, Inc.
- *Inc. Magazine*
- Shearson Lehman Brothers
- The Institute for International Research

Selected Completed Transactions

<u>Nature of Transaction</u>	<u>Amount of Transaction</u>
Asahi/America, Inc., strategic alliance Boston, Massachusetts	Confidential
Chic by H.I.S, Inc. (now Durango Apparel, Inc.), debt refinancing and initial public offering (NYSE: JNS) New York, New York	\$120 million 79 million
Diagnetics, Inc., venture capital private placement Tulsa, Oklahoma	\$3 million
East Jordan Iron Works, Inc. acquisition of B&M, Inc. East Jordan, Michigan	\$2 million
Executive Courier, Inc., venture capital private placement Washington, D.C.	\$4 million
Global Golf, Inc., public offering firm commitment Greenlawn, New York	\$5 million
Insitu Remediation Company, joint venture Southfield, Michigan	\$5 million
Instant Interiors, Inc., refinancing Kalamazoo, Michigan	\$3 million

Selected Completed Transactions (continued)

<u>Nature of Transaction</u>	<u>Amount of Transaction</u>
Intrupa Lift Parts, Inc., acquisition of subsidiary of Fortune 500 Company Grayslake, Illinois	\$15 million
Kronheim Companies, sale to National Distributing Company, Inc., Fairness Opinion Baltimore, Maryland	Confidential
LJ International Inc. (NasdaqNM: JADE) Corporate Development and Investor Relations Kowloon, Hong Kong	Confidential
North American Steel Co., Inc. sale of business Troy, Michigan	\$17 million
Professional Breathing Associates, ESOP consulting and financing Southfield, Michigan	\$2 million
NewTel Limited, equity line of credit Irrevocable commitment Herdsman, WA, Australia	\$125 million
Rainbow Home Rentals, Inc., refinancing Youngstown, Ohio	\$6 million
SPORT Magazine, management buyout New York, New York	\$7 million
Tribune/Swab Fox, Inc. acquisition of BMT Publications, Inc. Tulsa, Oklahoma	\$15 million
Unitron Corp., acquisition of subsidiary of Fortune 500 Company Barrington, Illinois	\$20 million
Vaagen Lumber Company, refinancing Spokane, Washington	\$11 million
Wace, plc, sale of business consulting, Chicago, Illinois	\$100 million

Selected Completed Transactions (continued)

<u>Nature of Transaction</u>	<u>Amount of Transaction</u>
WEEI-AM management buyout Boston, Massachusetts	\$8 million
WTTP-AM management buyout Boston, Massachusetts	\$4 million
WXKS-FM management buyout Boston, Massachusetts	\$12 million

In addition, Mr. Gilburd has prepared or been the reviewing appraiser for hundreds of Business Valuations, Fairness Opinions, and Family Limited Partnership Valuations for private and confidential transactions and settlements that are not listed.

Litigation Expertise

- Integrate CPA, ASA and NASD expertise in business and intellectual property valuation, accounting and taxes, and securities with success in a variety of Industries.
- Engaged by national CPA firms, law firms, and stock brokerages, for more than twenty years as expert witness or litigation support consultant in matters relating to many areas of financial disputes.
- Consultations for creative, objective and strategic thinking and planning to obtain the best possible results at pre-trial settlements.
- Provide cost-saving benefits to clients, cutting edge technology to develop analytical models, and graphic presentations for persuasive cases.
- Analysis of SEC filings and financial statements, and marketplace.
- Value of securities of publicly owned and private companies, corporate finance transactions, and intangible properties.
- Extensive relationships with numerous law firms throughout the United States, both litigators and corporate specialists, who are resources within their respective firms to their partners and other experts.

Litigation Expertise (continued)

- Cross-expert referral sources include specialist investment bankers, CPAs, and other litigation experts.
- Engaged by various Illinois law firms in divorce matters – issues were spousal disputes as to the value of business in the marital estate. (Names of parties withheld due to confidentiality.)
- Engaged by Illinois attorney representing professional athlete to analyze and develop support against former California investment advisor and business manager, Donald Lukens – issues were suitability of investments and fraudulent conveyances.
- Engaged by Illinois expert to assist in assessing damages in a failed bank in England – issue was creditors’ rights to remaining assets.

Selected Cases & Related Assignments

- Consulting expert to major Arizona law firm in a shareholder class action suit against officers and directors of UDC Homes and a then Big 5 accounting firm (Arthur Andersen), and underwriters – issue was amount of damages related to stock value at time of audit and reliance thereon.
- Engaged by Arizona law firm representing a NASDAQ company in a dispute – issue was distributor claiming they were a franchisee.
- Consulting expert for a major Arizona law firm representing dissenting bondholders (of Mid-America Waste) against major securities firm (DLJ Securities) – issue was the underwriter having created a deepening insolvency.
- Engaged by Arizona Law Firm defending accountants who set up a form of ownership between a man and woman who had a personal as well as a business relationship, without providing an equity interest to the man.
- Engaged by California law firm representing a minority shareholder suing his two brothers who were collectively the majority shareholders – issue was whether a business valuation prepared by a Big 5 accounting firm fairly established the sales price of their business.
- Engaged by Colorado law firm to determine value of alleged option of minority shareholder to purchase majority stake in company.
- Engaged by large Illinois law firm representing the trustee of an estate – issue was value of business at different points of time.

Selected Cases & Related Assignments (continued)

- Engaged by largest law firm in Illinois as consulting expert in the defense of a Big 5 accounting firm (Arthur Andersen) sued by a large institutional investor (Calpers) – issue was whether accounting firm’s audited financial statements should be considered the cornerstone of an investment decision.
- Engaged by Illinois economic expert for a major Illinois law firm in a Federal Court buy-sell agreement dispute between MHC RV Resorts and Lehman brothers.
- Engaged by Illinois economic expert representing a client of Illinois law firm who sold his interest in a bank to another bank who sold to a third bank, in arbitration as to whether the third bank violated terms of the transaction that impacted value of the subject interest.
- Engaged by Illinois economic expert to invalidate the premise in a law suit wherein the wife sued the husband who was a commodities trader on the Mercantile Exchange, on the premise that she was entitled to one-half his business in addition to one-half his income, as that would have given her 100% of his income.
- Engaged by Massachusetts law firm as consultant for NASD arbitration – issues were broker-dealer or registered representative liability to customers.
- Engaged by large Massachusetts law firm representing debtors or creditors in various reorganization matters – assignments were to analyze and develop support for debtors’ preference feasibility or assisting creditors in identifying the existence of assets, compliance with loan covenants, and potential claims by the corporate or individual bankrupt estates.
- Engaged by Michigan law firm to defend large accounting firm, BDO Seidman, in a suit by a client. Professional Breathing Associates, claiming to be misled in the creation and funding of an Employee Stock Ownership Plan.

For testimonials and additional information, please visit www.ValuCorp.com.