

Forensic Accounting, Litigation Support and Advisory Services for Law Firms



J. ALLEN
KOSOWSKY
CPA, P.C.

For more than 40 years, J. Allen Kosowsky has provided accounting and advisory services to domestic and international law firms, supporting a broad range of transactions and litigation matters. Our clients span the full spectrum of legal service providers, ranging from large global firms to regional mid-sized and boutique firms. By combining our deep understanding of law firm procedures with accounting and industry expertise, we offer solutions and guidance that further and assist a law firm's relationships with its clients. Because we avoid the inefficiencies common to larger accounting firms, we are an attractive option for law firms seeking expert accounting and consulting services in a responsive and cost-effective manner.

J. ALLEN KOSOWSKY, CPA, PC
FORENSIC ACCOUNTANTS AND FINANCIAL CONSULTANTS

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About Us

J. Allen Kosowsky, CPA, PC was founded in 1981 to provide forensic accounting and business advisory services to law firms and public and privately-held companies. Prior to establishing his own firm, Allen was a Principal at Ernst & Young and the Chief Operating Officer and Chief Financial Officer of two large, privately-held companies. Allen's leadership experience also includes serving as a director on a variety of public company boards, including Thor Industries, Inc., Webster Bank, ON2 Technologies, Inc. (acquired by Google in February 2010) and three biotech venture capital funds. He has extensive experience as a chairman and a member of public company audit committees. Allen is a Certified Public Accountant, Certified Valuation Analyst, Certified Fraud Examiner, and is an AICPA Accredited Business Valuator Certified in Financial Forensics.

Allen was trained as an Arbitrator by the American Arbitration Association and is a member of its Commercial Panel. His professional memberships include: the American Institute of Certified Public Accountants, Connecticut Society of Certified Public Accountants, National Association of Certified Valuation Analysts, Association of Certified Fraud Examiners and American Arbitration Association.

Our professional staff is supplemented as needed by seasoned experts including investigators, former IRS agents, financial executives, appraisers, investment bankers, risk management professionals, university professors and technology consultants.

Key services include:

- ❖ Forensic Accounting
- ❖ Kovel Assignments
- ❖ Expert Witness & Litigation Support
- ❖ Foreign Corrupt Practices Act Matters
- ❖ Business & Intellectual Property Valuation
- ❖ Business & Financial Consulting
- ❖ Federal & State Income Tax Services



Forensic Accounting

J. Allen Kosowsky's Forensic Accounting practice has achieved a national reputation for providing investigative accounting support to law firms in a variety of federal and state court matters, arbitration and mediation proceedings. We also provide critical support to defense teams in their responses to inquiries and investigations by regulatory authorities. Our team analyzes complex financial and accounting issues and presents findings in a manner that is credible, persuasive and readily understandable by counsel, judges, jurors, arbitrators, executives, and other participants involved in contentious and investigative matters.

Our proven skill in evidence evaluation ensures our clients an accurate and highly detailed

process. Our comprehensive understanding of corporate, financial, accounting and legal issues enables quick and accurate data analysis, reconstruction of the relevant accounting, tax and financial scenarios, and a thorough explanation of consequences. We help clients avoid protracted litigation and work to arm counsel with forensic findings that present the strongest possible case in the dispute resolution process.

Providing forensic services requires significant expertise, and our business model ensures that matters are managed by a seasoned professional with over 40 years' experience with complicated financial, tax and litigation analysis. We deliver comprehensive expert services quickly and cost-effectively.

We help clients avoid protracted litigation and work to arm counsel with forensic findings that present the strongest possible case.

Forensic accounting services include:

- ❖ Accounting Investigations
- ❖ Analysis of Financial Records
- ❖ Bankruptcy Accounting Services
- ❖ False Claims Act Matters
- ❖ Investigative Accounting
- ❖ Internal Corporate Investigations
- ❖ IRS Matters
- ❖ Securities Fraud and SEC Actions
- ❖ White Collar Fraud
- ❖ Criminal Tax Matters
- ❖ Audit Committee Assistance



Kovel Assignments

A core competency of our practice is serving as a Kovel accountant in both civil and criminal matters, assisting lawyers in developing a case and evaluating potential defenses. Our team has substantial experience partnering with some of the nation's premiere white collar defense teams in criminal tax cases and investigations. We are actively involved at every stage of the litigation or investigation process, from examining and developing a defense against the Government's case, to delivering expert testimony. In civil matters, we handle situations involving tax and financial issues and are similarly experienced at offering expert testimony at depositions and trial.

From a bet-the-company dispute involving Fortune 100 organizations to a dispute over the dissolution of a family business, an expert witness can have a profound influence on the outcome of a case. Identifying the right expert, however, is often a complicated matter. Serving as an expert witness requires not only a complete grasp of multi-faceted, complex issues, but also requires the ability to distill, clarify and communicate complicated matters in simple, accessible and concise language. Our understanding of courtroom procedure and the role of expert witnesses is the result of our involvement in dozens of cases in state and federal courts and other tribunals.

Areas of expertise include:

- ❖ Alternative Dispute Resolution
- ❖ Banking & Financial Services Claims
- ❖ Bankruptcy Investigations
- ❖ Claims Evaluation and Defense
- ❖ Cross Examination & Deposition Preparation
- ❖ Damages Calculations, Discovery and Reports
- ❖ Matrimonial Matters
- ❖ Probate Matters
- ❖ Settlement Negotiation

Whether in the trenches of a courtroom or a firm's war room, our presentation is credible and clear, helping us achieve the best outcome for our clients.

Foreign Corrupt Practices Act Matters

As the Foreign Corrupt Practices Act (FCPA) has become an enforcement priority for regulators, law firms are encountering increased client demand for services in FCPA-related matters. In addition to the traditional need for investigating allegations of bribery and corruption, there is also an increased demand in areas such as mergers and acquisitions, FCPA risk

assessment and FCPA-related compliance assessments. With years of investigative and forensic accounting experience, as well as our industry and business practice knowledge, we are well positioned to work with law firms as they help clients assess their controls, determine risks, implement new procedures and investigate current or past problems.

Our FCPA-related support services include the following:

- ❖ Compliance Advice
- ❖ FCPA Compliance Assessments
- ❖ FCPA Investigation
- ❖ Transaction Due Diligence

As the SEC and DOJ heighten FCPA enforcement efforts, law firms must work swiftly and proactively to ensure that clients with overseas operations employ robust audit and compliance programs in order to minimize exposure.



Business & Intellectual Property Valuation

While intellectual property is a crucial business asset in today's information-driven economy, the World Intellectual Property Organization has suggested that standard accounting practices may not adequately establish the actual value of intellectual property rights. As a result, intellectual property assets are often undervalued, insufficiently protected and under-exploited.

Establishing the value of commercial and personal assets is essential in many legal activities including merger and acquisition transactions, negotiating deal terms, and supporting litigation efforts. We bring our operational expertise and broad industry experience together with detailed analysis of financial information to provide accurate and objective valuations.

Our valuation services include support for the following:

- ✦ Buy/Sell Purchase Agreements
- ✦ Bankruptcy, Divorce or Shareholder Disputes
- ✦ Breach of Contract/Loss of Profits/Business Interruption or Destruction
- ✦ FASB 141, 142 Intangible Valuation and Goodwill Impairment Testing, FASB 144 Testing
- ✦ Mergers & Acquisitions
- ✦ IRS Section 482 Analyses & Other Pricing Issues
- ✦ Intellectual Property Valuation of Patents, Trademarks and Other Contractual Property
- ✦ Allocation of Purchase Price—Section 1060 IRC, FASB 141, 142, 157
- ✦ Assessment of Financial Metrics in Valuation of Intangibles
- ✦ Assessment of Useful Life of Intangibles
- ✦ Calculation of Patent Infringement Damages
- ✦ Identification/Valuation of Cash Flow Streams Attached to Intangibles
- ✦ Transfer Pricing Models/IRS Section 482
- ✦ Valuation of Intangibles

Business & Financial Consulting

Frequently, our law firm clients are called upon to evaluate business opportunities or assist their clients in other areas of strategic decision-making. Our financial expertise and deep experience in various industries—including financial services, technology, healthcare, real estate, and product manufacturing, among others—enable us to support lawyers as they scrutinize and evaluate complex financial and market data, understand business objectives, and craft strategies to help clients achieve business goals.

Specific consulting services include:

- ✦ Business and Financial Planning
- ✦ Capital Structure Review and Alternatives
- ✦ Financial Analysis and Advice
- ✦ Financial, Management, Valuation, Tax and Accounting Advice
- ✦ Interim CEO/CFO/COO Services



Federal & State Income Tax Services

Given the ever-changing nature of tax regulations, we are committed to supporting law firms as they work proactively with clients to create and implement a strategic tax and compliance plan. Our knowledge of multi-industry business practices gives us a significant

advantage in working with lawyers to develop strategies that most effectively leverage tax law in order to maximize profit and support clients' objectives. We also have significant experience dealing with the IRS in various collection, audit and litigation matters.

Our tax planning and strategic services include:

- ❖ Civil Audit Representation
- ❖ Collection Matters
- ❖ Delinquent Return Preparation
- ❖ Tax and Compliance Planning
- ❖ Trust and Estate Planning
- ❖ Criminal Tax Matters
- ❖ Tax Controversies

