

### **SUMMARY OF CLIENT SERVICES:**

Certified Public Accountant and Certified in Financial Forensics with more than 25 years of forensic accounting experience. Client service areas include:

- Economic damage and lost profit calculations.
- Wrongful termination and death damage calculations.
- Expert reports under Federal guidelines for expert witnesses.
- Business enterprises and minority interest valuations.
- Assistance to legal counsel in depositions of opposing experts.
- Evaluation and rebuttal of opposing expert's damage calculations.
- Preparation and response to interrogatories and discovery requests.
- Development of trial exhibits.
- Financial analysis and record reconstruction.
- Fraud investigation.
- Preferential transfer and fraudulent conveyance analysis.
- Analysis of the future business prospects of debtors.
- Analysis of debtor projections.
- Negotiations with prospective buyers and assistance with logistical procedures upon sale of the business.
- Negotiations with creditors.
- Assistance to debtors related to accounting and operational issues during bankruptcy.



**STUART K. NAKANISHI, CPA, CFF**

### **REPRESENTATIVE ENGAGEMENT:**

- The beneficiary of a trust filed a lawsuit against the trustees alleging improper accountings of trust assets, among other things. Inspected the trust accountings filed with the Court and presented my findings and answered opposing counsel's questions.
- A mortgage company filed a lawsuit against a former employee and a competitor alleging both conspired to divert customers from the company. Prepared a lost profit damage analysis with supporting graphs. Presented the damages at mediation and answered the opposition's questions. This resulted in a favorable offer to settle the lawsuit.
- A dredging company was accused of mining in unauthorized locations of the San Francisco Bay. Prepared an analysis of estimated profits from the alleged activity and evaluated the opposition's analysis. Both analysis were beneficial during settlement negotiations.
- Detected a massive Ponzi scheme perpetrated by the CEO of a publicly traded company which filed for bankruptcy protection. Developed a financial model which tracked the timing, source, and destination of cash receipts and disbursements. The model revealed distinctive patterns of cash manipulation. This enabled the estate to recover a total of \$30 million from the auditors, insurance and title companies, and banks and obtain a \$122 million jury verdict against the former CEO.
- A retailer of specialty electronic products filed a lawsuit against its manufacturer alleging the manufacturer conspired with a former employee to sell future products to a new company. The retailer's damage expert determined damages totaling \$16 million. Analyzed the opposing expert's report and determined that the report was highly speculative and that under his assumptions the retailer's sales would be three times greater than it had historically performed. This resulted in favorable settlement for the manufacturer.
- An automobile dealer perpetrated a \$20 million checking kiting scheme against a financial institution. The dealer subsequently filed for bankruptcy protection and a receiver was appointed to sell the remaining assets. Investigated and prepared an analysis of the scheme which assisted in the financial institution being awarded proceeds from the sale of the dealer's assets for several million dollars.
- As a member of the negotiating team to sell a specialty manufacturing company located in Northern California to a public company, addressed various issues related to the company's value. This resulted in the public company raising its offer from \$17 million to \$24 million.



- A dispute arose in a buy-out situation. The amount of the buy-out was based on an audit prepared by a "Big 4" accounting firm. Attended the deposition of the audit senior-manager and provided real-time questions for the attorney in order to raise issues related to the audit. This resulted in a favorable settlement for the seller.
- A freight company, who filed for bankruptcy protection, filed a lawsuit against one of its customers for preferential transfers. Developed the defense that the payments made to its customer were for overcharges and hence was a "constructive trust". Resulted in a favorable settlement for the customer.
- Financial consultant for the unsecured creditors' committee of a retailer of luggage products operating on the West Coast. Met with the debtor and his financial advisor. Determined that the debtor's projections were unrealistic and that the debtor's financial condition would continue to deteriorate. This resulted in a sale of the company and a favorable distribution to the unsecured creditors.

**EXPERT DESIGNATION:**

Dolphin Real Estate No. 1, Debtor and Janina M. Elder, Trustee in Bankruptcy, Plaintiff v. Twin Dolphins Real Estate, Inc., et al., Defendant

UNITED STATES BANKRUPTCY COURT - NORTHERN DISTRICT OF CALIFORNIA

Designated financial expert for the Defendant in a fraudulent conveyance action. (October 2010)  
Armand Papazyan, et al. v. Stanley Chia, et al.

SUPERIOR COURT OF CALIFORNIA - COUNTY OF SAN FRANCISCO

Designated financial expert for the Defendant in a wrongful death lawsuit. (October 2009)

North American Building Maintenance, Inc. v. Fireman's Fund Insurance Company

SUPERIOR COURT OF CALIFORNIA, COUNTY OF FRESNO - CENTRAL DISTRICT

Designated financial expert for the Defendant on alleged lost profit damages. (January 2008)

Romeo Bravo, Inc., Ronald J. Brown, and Dana Pope, for themselves and a class of others similarly situated v. Lycoming Engines

UNITED STATES DISTRICT COURT - EASTERN DIVISION OF CALIFORNIA

Designated financial expert for the Plaintiff on alleged overcharges related to the Defendant's product recall. (2007)

**PROFESSIONAL EXPERIENCE:**

*Principal*, Seiler LLP, San Francisco CA (2008 to current)

*Senior Vice President*, Perry-Smith LLP, San Francisco, CA

*Partner*, Sugarman & Company LLP, San Francisco, CA

*Accounting Manager*, Sega Enterprise, Inc. (U.S.A.), Redwood City, CA

*Accounting Manager*, Unicon International, Ltd., San Francisco, CA

*Controller*, Vertical Horizon Unlimited, San Francisco, CA

*Senior Accountant*, Adams, Grant, White & Co., CPA, Oakland, CA

**EDUCATION/CERTIFICATION:**

B.S., Business Administration (Accounting), Cum Laude, San Francisco State University, (San Francisco, California)

Certified Public Accountant, State of California

Certified in Financial Forensics, American Institute of Certified Public Accountants

**PROFESSIONAL MEMBERSHIPS:**

American Institute of Certified Public Accountants

California Society of Certified Public Accountants

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