

## **Curriculum Vitae**

**James M. Skorheim, JD, CPA/ABV/CFF, CFE, CVA, Cr.FA**

*Attorney at Law*

*Certified Public Accountant/Accredited in Business Valuation/Certified in Financial Forensics*

*Certified Fraud Examiner*

*Certified Valuation Analyst*

*Certified Forensic Accountant*

### **General Overview**

Jim Skorheim has been described by the Orange County Bar Association as “Orange County’s top financial expert witness.” He has extensive courtroom experience and has served in over 200 business litigation cases. Jim was the plaintiff’s damages expert in the Beckman v Flextronics case which resulted in the largest jury verdict in Orange County history. He has been instrumental in numerous defense verdicts as well. In all, Jim has assisted his clients obtain over \$1.3 billion in verdicts, settlements and arbitration awards. He has also served as an arbitrator, mediator and accounting referee in a variety of matters. During Jim's 28 years in practice he has developed expertise in accounting and auditing, securities analysis, taxes, financial and estate planning, business valuation, business consulting, corporate governance, risk management and commercial insurance claims services for both small and fortune 500 companies. Jim’s clients have spanned virtually all major industries including real estate, financial services, retail, healthcare, manufacturing, distribution, technology and utilities. He has served in a wide variety of litigation matters including breach of contract, business torts, lost profits, business valuation, alter ego, fraudulent transactions, wage and hour claims, unfair competition, fiduciary duty, IP infringement, trade secrets, officers’ and directors’ practices, commercial insurance claims, partner/shareholder disputes, wrongful termination, corporate governance and business practices. Jim is a frequent lecturer on commercial damages and other financial topics.

### **Current Position**

***Skorheim & Associates, An Accountancy Corporation***

Certified Public Accountants & Business Consultants

Principal

Skorheim & Associates is an accounting and business consulting firm with a substantial emphasis in the area of financial analysis and business valuation relating to commercial damages and losses. The Firm’s services include forensic accounting, damages analysis, expert testimony, business valuation, fraud investigations, commercial insurance claims, risk management, recovery from casualty and insurance forensics.

### **Employment History**

***Coleman & Grant, An Accountancy Corporation***

Certified Public Accountants & Business Consultants

Partner

***Deloitte & Touche, LLP***

Certified Public Accountants & Business Consultants

Partner

***Moss Adams, LLP***

Certified Public Accountants & Business Consultants

Partner

***Law Office of James M. Skorheim***

Attorney at Law

Principal

***Skorheim & Associates AAC, 28202 Cabot Road, Suite 300, Laguna Niguel, CA 92677 (949) 365-5680***

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### **Areas of Special Competence**

Business accounting and auditing  
Taxation: International, federal, multi-state and local  
General business and financial consulting  
Securities and investment analysis  
Valuations of closely-held and public businesses  
Valuations of business and financial assets  
Economic, operational and management consulting for a variety of businesses  
Litigation support services, economic damage analysis, forensic accounting and fraud investigations  
Risk management and commercial insurance claims resolution services  
Recovery from casualty and insurance forensics  
Financial planning and estate planning  
Corporate, partnership, LLC and fiduciary governance  
Served as arbitrator, mediator and accounting referee

### **Professional Memberships**

American Institute of Certified Public Accountants  
California Society of Certified Public Accountants  
State Bar of California  
American Bar Association  
Orange County Bar Association  
Association of Certified Fraud Examiners  
National Association of Certified Valuation Analysts (Business valuation)  
American College of Forensic Examiners  
American Board of Forensic Accounting  
American Inns of Court - Legion Lex  
Association of Business Trial Lawyers

### **Professional Activities**

Note Author, Law School Law Review, 1978  
Lecturer, Various California Continuing Education of the Bar Programs  
Lecturer, Various California Society of CPA Programs  
Lecturer, Various Orange County Bar Association Programs  
Frequent lecturer for various professional and community organizations  
on a variety of accounting, tax and business topics

### **Community Affiliations**

Past-President and Board Member, Orange County Bar Foundation  
Treasurer and Board Member, OC Marathon Community Organization  
Chairman, Finance Committee, St. Timothy Catholic Church, Laguna Niguel  
Past President, Orange County Bar Association Charitable Fund  
Past President, School Board, Santa Margarita Catholic High School

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### Professional Fee Schedule

Our fees are charged at our standard hourly rates as follows:

Partners and Managers	\$200 - \$400 per hour
Seniors and Staff Accountants	\$100 - \$200 per hour
Paraprofessionals	\$ 50 - \$100 per hour

Jim Skorheim's rate is \$400 per hour. Our rates are subject to change periodically with or without notice. We also charge for out-of-pocket costs such as delivery service, postage, telephone, travel, meals and lodging, photocopy, computer charges and other expenses, etc.

Our policy is to collect an advance refundable retainer which varies in amount depending on the expected scope of our services. This retainer is applied to our final invoices for the matter. Our fees and costs are invoiced on a monthly progress basis and our invoices are due on presentation.

Invoices which become delinquent past 30 days incur a service charge of ten percent (10%) per annum, compounded monthly. If an invoice becomes delinquent past 30 days, we reserve the right to terminate services until the account is paid in full. Any dispute over services or fees shall be resolved by binding arbitration.

In all litigation related matters, accounts must be paid in full prior to the time we are called upon to provide testimony or other work products. We cannot guarantee the outcome of our services in any dispute related matter and our fees are not contingent in any way upon any particular outcome or result.

### Professional References

Mike Yoder, Partner, O'Melveny & Myers LLP	(949) 760-9600
Mike Hornak, Partner, Rutan & Tucker LLP	(714) 641-5100
Bill O'Hare, Managing Partner, Snell & Wilmer LLP	(714) 427-7000
Don Morrow, Partner, Paul, Hastings, Janofsky & Walker	(714) 668-6200
Dean Zipser, Partner, Manatt, Phelps & Phillips LLP	(714) 371-2500
Layne Melzer, Partner, Rutan & Tucker LLP	(714)-641-5100
Scott Ferrell, Partner, Call, Jensen & Ferrell	(949) 717-3000
Gary Waldron, Partner, Waldron & Olson LLP	(949) 760-0204
Pete Stone, Partner, Paul, Hastings, Janofsky & Walker	(650) 320-1800
Rich Montevideo, Partner, Rutan & Tucker LLP	(714) 641-5100
Jack Sorokin, Corporate Counsel, Beckman Coulter, Inc.	(714) 773-6907
Don Howarth, Partner, Howarth & Smith	(213) 955-9400
Chris Wesierski, Partner, Wesierski & Zurek LLP	(949) 975-1000

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### **Experience as Trial Consultant/Expert Witness**

Jim Skorheim has extensive courtroom experience and has served in over 200 business litigation cases at both the federal and state levels on issues relating to business, accounting, finance, economic, business valuation and tax matters. He has also served as an arbitrator, mediator and accounting referee. Jim has been engaged by both plaintiffs and defendants and the following is a selected listing of Jim's trial consultant/expert witness case experience:

- Assisted a Fortune 1000 medical products manufacturer win a record-breaking jury verdict against one of its component vendors for failures which caused disruptions to its production operations.
- In 2006 predicted collapse of sub-prime mortgage industry and obtained a "no damages" arbitration decision relating to a failed merger between two mortgage bankers.
- Assisted in a breach of contract and fraud action against one of the world's largest technology companies which resulted in a jury verdict of \$116 million for his client.
- Assisted Fortune 1000 telecommunications company obtain a \$48 million jury verdict for infringement of various intellectual property rights.
- Developed a novel asset tracing approach that expanded the law in a federal fraudulent transfer and equitable lien case that was specifically considered and approved in the federal appellate opinion.
- Assisted plaintiff's class obtain 8 figure settlement from Orange County Register in a recent employment classification, wage and hour class-action case.
- Assisted an international import-export vendor obtain a \$30 million verdict for fraudulent transfers and alter ego liability against its customer and its customer's shareholders.
- Assisted one of the world's largest manufacturers obtain an 8 figure settlement from one of its parts vendors for losses caused by defective products.
- Applied a unique risk-based approach in determining fairness of 1<sup>st</sup> party settlement in indemnity action against 3<sup>rd</sup> party product manufacturer which was upheld by state appellate court.
- Assisted an international brand-name surf-wear licensor obtain a unanimous jury verdict on claims and cross claims relating to an intellectual property licensing dispute.
- Fraud investigation and forensic accounting in multi-million dollar CFO embezzlement case for computer products company resulting in successful multi-million dollar settlement.

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### **Experience as Trial Consultant/Expert Witness (Continued)**

- Assisted a well known local restaurant business recover a multi-million dollar jury verdict against its landlord, one of the Nation's leading retail commercial property operators.
- Appointed by Court as joint expert to value dissenters' interest in a web-based Management Service Provider (MSP) for purposes of Corporations Code Section 1300 action. Court adopted Mr. Skorheim's valuation.
- Served as expert witness for plaintiff in punitive damages case against large Fortune 1000 aerospace contractor resulting in \$50 million verdict for plaintiff.
- Assisted a publicly traded national restaurant chain obtain a full defense verdict against claims filed by one of its vendors.
- Infringement damages, lost profits and business valuation relating to the termination of advertising rights of dot-com company by popular internet portal company.
- Assisted a national food processor recover a favorable settlement from a well-known insurance carrier for inventory damages and production losses resulting from disease-causing bacteria.
- Post-acquisition dispute relating to the acquisition of the subsidiaries of Fortune 500 company; balance sheet true-up and working capital adjustment.
- Assisted an investor obtain a favorable award in an NASD arbitration against the world's largest financial institution for losses resulting from the well known collapse of Adelphia Communications.
- Served as lead arbitrator in dispute between National residential home builder and one of its former officers.
- Criminal sales tax fraud investigation relating to a retail and wholesale office furniture business and its owners.
- Trademark, unfair competition and false advertising damages between competitors in video game and accessories distribution business.
- Hired by Judge to act as accounting referee to conduct fraud investigation and perform a partnership accounting for food processing company.
- Breach of contract and products liability damages analysis relating to purchase and operation of large marine dredge facility for sand and rock quarry.

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### **Experience as Trial Consultant/Expert Witness (Continued)**

- Breach of fiduciary duty and business valuation of large health care physicians' group.
- Breach of contract between international semiconductor manufacturer and national chip distributor relating to price protection in volatile market.
- Damages analysis in a contract dispute between a hospital chain and a large HMO payer organization.
- Calculated damages and business value in breach of fiduciary duty and usurpation of corporate opportunity case for technology company.
- Business interruption and property insurance claims resulting from armed robbery of leather clothing distributor.
- Post-acquisition accounting and valuation of pool of motor vehicle loans relating to breach of contract.
- Damage analysis relating to TV and motion picture creative design business resulting from toxic mold claim.
- Dispute regarding value of stock options and common stock of retail energy distribution company.
- Damages analysis in unfair competition, unfair business practices, patent and trademark infringement and false advertising dispute for auto parts manufacturing competitors.
- Alter ego, breach of contract and copyright infringement action between buyer and seller of sports equipment company.
- Breach of contract and alter ego analysis in relation to the acquisition of 3D movie exhibition system by theater chain operator.
- Damages analysis relating to post-acquisition dispute concerning a pool of residential mortgage loans.
- Damages and business valuation analysis of a family of medical care units relating to a dispute among the owners thereof.
- Damages analysis in a contract dispute between large grocery-store chain and one of its service vendors.

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### Experience as Trial Consultant/Expert Witness (Continued)

- Business valuation and equity investment tracing for regional public storage units operator in shareholder dispute.
- Economic damages and substantive estate planning issues in attorney negligence case including analysis of substantial recreational real estate investments.
- Partnership accounting in real estate investment and development partnerships.
- Business valuation and business lost profits of a retail auto parts business caused by City's alleged wrongful abatement action.
- Lease compliance, forensic accounting and fraud investigation of restaurant operator under percentage lease.
- Lost profits and business valuation of pension services company.
- Business valuation, lost profits and economic damages of a classic auto dealer in insurance bad faith claim.
- Business valuation and business interruption lost profits of retail clothing store allegedly caused by contractor's negligent store remodeling.
- Business valuation of internet search engine operator in connection with potential tax controversy.
- Calculated City's lost gross receipts tax revenue and examined alter ego issues relating to large regional landfill operator.
- Infringement damages and business valuation of dental products manufacturer in shareholder derivative action against corporation in connection with merger with public company.
- Lost wages and employee benefits in executive wrongful termination case against public company.
- Patent infringement lost profits and business valuation of optical products manufacturer against public company.
- Performed insurance forensics services in coverage dispute between large hospital organization and its insurance companies where numerous claims were valued as a basis to apply allocation language of various insurance policies.

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### **Experience as Trial Consultant/Expert Witness (Continued)**

- Copyright infringement damages analysis in dispute among creative art designer, creative writer and production company for rights to a creative treatment for various entertainment media.
- Value of stock options of pre-IPO public company relating to a breach of contract action by an executive against a public company in the broadband technology industry.
- Business valuation and business interruption lost profits of restaurant and bar owner relating to alleged wrongful permit suspension by City.
- Business valuation of plastic parts manufacturing company in connection with a breach of contract and misrepresentation matter.
- Partnership dissolution accounting and business valuation relating to partnership dispute in real estate investment and development partnership.
- Lost income and benefits in a wrongful termination case by a corporate CEO of a mid-sized auto parts manufacturer.
- Lost profits and economic damages in action by a transportation company against one of its outside service providers.
- Lost economic value and lost profits in products liability action by auto industry manufacturer against foreign machinery manufacturer.
- Action for claims coverage by dental service provider against insurance brokerage and malpractice insurance carrier.
- Economic losses suffered by venture capital company against environmental technology company on failed investment relationship and related legal malpractice case including alter ego issues.
- Economic losses and business valuation of real estate brokerage franchise against national franchiser.
- Economic damages in action by specialty store operator against large hotel chain upon premature termination of lease.
- Alter ego case in cross-actions between medical group and large hospital chain.
- Calculated revised price retention amount in the sale of gaming machines manufacturer.

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### **Experience as Trial Consultant/Expert Witness (Continued)**

- Investigated employee fraud case on behalf of Fortune 500 healthcare company.
- Accounting and valuation issues in post-acquisition dispute relating to sale of 50% interest in telephone equipment distributor.
- Analyzed damages claimed against city for various alleged equal protection violations.
- Calculated damages and business value in breach of fiduciary duty and usurpation of corporate opportunity case for technology company.
- Determined economic losses in breach of contract dispute between two high-tech publicly traded software companies.
- Lost profits and business valuation losses in sale of commercial bakery.
- Lost profits and business valuation losses of high-tech components manufacturer in indemnity case against bonding company resulting from fiduciary breach.
- Business valuation of machining job shop in dispute between shareholders.
- Alleged consumer fraud case against large residential apartments' operator.
- Forensic accounting and damages in consumer fraud case against national fundraising organization.
- Infringement damages resulting from interference and unfair trade practices against specialty plumbing fixtures distributor.
- Copyright and trademark infringement case between two international software manufacturers.
- Served as mediator in dispute between large computer manufacturer and one of its service vendors.
- Lost profits in breach of contract action relating to distribution of mass-spectrometers in Europe.
- Acted as accounting referee in breach of contract action between 2 distributors of cable television and Internet components.
- Determined unpaid amounts due large hospital system from national HMO payer.
- Lost profits, lost opportunities and business valuation of fruit grower and fruit packing company in shareholder derivative action.

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### Selected Listing of Industries Served

Advertising & media	Juice store – retail
Aerospace & aeronautics	Landfill operations
Antiques - retail	Lawyers & law firms
Apartments	Lighting manufacturing
Apparel industry	Machine shops
Auto dealers & auctions	Malpractice insurance
Auto parts manufacturing	Manufacturing
Auto service & restoration	Marina & recreational real estate
Bakery – commercial	Medical groups
Banking/Credit unions	Medical instruments manufacturing
Broadband technology	Memory products
Cable telecommunications - components	Mining & quarry operations
Circuit board manufacturing	Modem technology manufacturing
Commercial awning manufacturing	Mortgage banking
Commercial & retail real estate	Moving & storage
Computers & accessories	National fundraising
Consignment store - retail	Networking services
Construction contractors	Non-Profit organizations
Courier service	Office furniture sales & repair
Deli store operations	Optical products
Dental products	Pension & actuarial services
Dental services	Pharmaceutical distribution
Distribution	Physicians & medical groups
Entertainment and recreation	Plastics manufacturing
Environmental technology	Plumbing supply & fixtures
Fiber optics	Professional services
Financial intermediaries	Public storage
Food processing	Real estate brokerage
Fruit co-op - wholesale	Real estate development & investment
Gaming machine manufacturing	Residential real estate & home builders
Government contractors	Restaurants & bars
Grocery/Retail	Retail apparel & sports equipment
Health care	Sand & gravel excavation
Health insurance	Securities & investments
Healthcare devices	Semiconductor distribution
High-tech - components	Semiconductor manufacturing
Hospitals	Skylight manufacturing
Hotels & hospitality	Specialty plumbing fixtures
Industrial real estate	Storage technology
Import/Export trading	Telecommunications & utilities
Insurance brokerage & underwriters	Theater operations
Internet – portal, content & commerce sites	Vehicle manufacturing
Investment banking	Vending machine manufacturing & sales
Investment management	Video games & accessories