

CURRICULUM VITAE

KAREN B. FORTUNE

Certified Public Accountant
Certified in Financial Forensics
Masters of Accountancy

EDUCATION

University of Florida, Fisher School of Accounting
Masters of Accountancy, 1992
Bachelor of Science, Accounting, 1990

PROFESSIONAL EXPERIENCE

Ms. Fortune serves as a Partner in IAG Forensics' forensic accounting and litigation services practice. Karen has over nineteen years experience, comprised of both public and private practice, having spent several years in public accounting and serving as a CFO for a biotechnology firm. She possesses extensive experience in financial reporting, auditing of both public and private companies, addressing complex accounting issues, evaluating and designing internal controls, and performing corporate investigations.

She assists attorneys on cases involving corporate internal investigations, fraud allegations and securities litigation. Additionally, she specializes in matters involving complex financial analyses, M&A disputes and the application of Generally Accepted Accounting Principles (GAAP). Karen has testified as an expert witness and has provided assistance to attorneys on several aspects of a case from the complaint stage through trial. Representative assignments that Ms. Fortune has worked on include:

- Matters involving the application of GAAP and GAAS
- Securities litigation
- Corporate internal investigations on behalf of Special Counsel, Boards of Directors, Audit Committees and/or management teams
- White Collar Crime and fraud investigations
- Investigations on behalf of financial institutions involving loan losses due to impairment or fraud
- M&A litigation (purchase price disputes)
- Complex financial damages

SELECT EXPERIENCE

- Assisted defense counsel in white collar crime matter by analyzing transactions included in federal government's bank, wire and securities fraud indictment counts against mortgage originator/broker. Provided expert witness testimony on transactions and their financial impact upon the lending institution.
- Analyzed audit working papers in several matters asserting accounting malpractice against independent accountants of pension plans invested in Madoff-related feeder funds. Assisted counsel in mediation between investors and audit firm representatives and insurers.
- Investigated damage claims resulting from catastrophic event involving major transportation and engineering firms. Assisted defense counsel in determining excessive claims for purposes of mediation.
- Investigated alleged bank fraud of bank president, performing funds tracing through loan, cash and credit accounts on behalf of bank. Assisted FDIC in concurrent investigation by providing documentation and findings.
- Performed investigation of alleged bank fraud involving loan syndication. Participating banks asserted lead bank withheld certain facts from syndicated leading to loan losses.
- In several separate cases analyzed transactions, working paper documentation, Generally Accepted Accounting Principles and Generally Accepted Auditing Standards related to shareholder suits alleging accounting malpractice. Industries involved healthcare, cable (television and telephone), Internet and manufacturing.
- Performed analysis of damages asserted by name-brand pharmaceutical company against generic pharmaceutical company. Analyzed pharmaceutical sales trends, pricing strategies, competition to determine various other causal relationships not considered by the plaintiff.
- Investigated alleged fraud of CEO on behalf of franchise organization's board of directors. Determined CEO misappropriated in excess of \$1 million through improper payroll, company's retirement plans and other accounts.
- Financial analysis and review of accounting records to determine royalties due under inventor agreement with research organization.
- Assisted counsel in defense of CEO and CFO of publicly-traded cable company accused of securities fraud and financial statement misstatements.
- Investigated and quantified transactions in defense of business owner accused of selling "diverted" biopharmaceutical products.

- Investigated and documented review of dispute related to adequacy of due diligence procedures performed in multi-million dollar acquisition.
- Performed investigation for audit committee of mortgage-REIT's accounting for portfolio impairment. REIT portfolio consisted of loans to prime, subprime and ALT-A lenders and real estate developers.
- Managed document review team and performed financial analysis to assist with piercing the corporate veil and performing punitive damages calculation for wrongful death matter.
- Performed financial analyses and calculations in multiple purchase price disputes over sale of manufacturing and engineering firms.
- Performed financial analyses and investigation in multiple purchase price disputes over sale of aerospace and defense contracting firms.
- Assisted attorneys in analysis of public filings and available documentation to develop complaint in multi-billion dollar class action suit alleging fraudulent financial reporting of revenues. Matter settled for \$2.5 billion.
- Instructed training courses for client law firms related to Generally Accepted Accounting Principles issues and matters concerning the discovery and document review phases of the case.
- Performed financial investigation and review of corporate financial records to determine amounts owed to employer for advances and personal use of corporate assets by real estate company management team member.
- Investigated financial records of company providing services to the airline industry to determine amounts embezzled by management team member.
- Assisted counsel in calculating damages related to cable company's breach of contract. Allegations included breach of exclusivity rights to provide service to certain customers.

PUBLICATIONS

"Measured Results" August 2004, Smart Business Atlanta Magazine

"Money Matters" September 2005, Smart Business Atlanta Magazine

"Fiscal Planning – How to be prepared for that year-end audit" December 2006, Smart Business Atlanta Magazine

"Internal Investigations – How-and when-to take matters into your own hands" November 2007, Smart Business Atlanta Magazine

"Let the Buyer (and the Seller) Beware" January 2009, Business & Finance Section of the Atlanta Bar Association – 4th Annual Professionalism CLE Seminar

"The EBITDA Enigma" January 2009, Business & Finance Section of the Atlanta Bar Association – 4th Annual Professionalism CLE Seminar

"Rebuilding Haiti: Beware of the FCPA" May 2010, BNA, Inc. – White Collar Crime Report and Law 360 – The Newswire for Business Lawyers, co-authored with Catherine Salinas, Esq.

"FCPA Compliance: Tone at the Top, Train at the Bottom" October 2010, Law 360 – The Newswire for Business Lawyers, co-authored with Catherine Salinas, Esq.

PROFESSIONAL TEACHING EXPERIENCE

Fraud Prevention Strategies for HR Professionals, Technology Association of Georgia (2005)

The Use and Roles of Forensic Accountants, Litigation Track – Georgia Association of Women Lawyers Symposium (October 2005)

Top Fraud Strategies: How to Avoid Them Before They Start and How to Catch Them Once They Have, Women Doing Business in the City of Atlanta Conference (April 2006)

The Horrors of Fraud and How to Mitigate the Risk, Georgia Women's Entrepreneurial Network conference (May 2006)

Understanding Forensic Accounting, Georgia Society of CPAs (Young CPA Section) (June 2006)

How to Protect Your Company from White Collar Crime, Business Track – Georgia Association of Women Lawyers Symposium (November 2007)

Detecting and Preventing Fraud – Georgia Society of CPAs (December 2008)

Understanding Forensic Accounting – North Atlanta Tax Council (November 2009)

Identifying and Addressing Fraud Risks in the Current Real Estate Climate – Georgia Society of CPAs Real Estate Conference (June 2010)

Effective Use of Financial Experts in Contract Disputes – Institute of Continuing Legal Education in Georgia (State Bar of Georgia) Contract Litigation Conference (August 2010)

Audits of Employee Benefit Plans – Frequent Issues in Malpractice Matters –
Habif, Arogeti & Wynne P.C.'s audit department (April 2011)

**EXPERT
TESTIMONY
EXPERIENCE**

Middle Georgia Management Services, Inc. v. Christian Kelly Thigpen & Company, LLC and Ralph s. Kelly, Jr.
Superior Court of Laurens County, State of Georgia
Deposition testimony – **January 2012** (Atlanta, Georgia)

United States of America v. Lee Bentley Farkas
United States District Court for the Eastern District of Virginia (Alexandria)
Trial Testimony – **April 2011** (Alexandria, Virginia)

Advanced Telemedia, LLC v. Charter Communications, Inc.
United States District Court for the Northern District of Georgia, Atlanta Division
Trial testimony – **July 2008** (Rome, Georgia)
Deposition testimony – **August 2006**

The University of Georgia Research Foundation, Inc. v. KB Visions, Inc.
Superior Court of Clarke County, State of Georgia
Hearing testimony – **April 2009** (Athens, Georgia)
Deposition testimony – **November 2005**

**PROFESSIONAL
AFFILIATIONS**

The American Institute of Certified Public Accountants

The Georgia Society of Certified Public Accountants

The Georgia Society of Certified Public Accountants – Forensic and Valuation Services Section Leadership Committee (Chair of Fraud Prevention and Detection Division)

National Litigation Consultants Review editorial board (2011 – present)

The Georgia Association of Women Lawyers (2004 – present)

The American Bar Association (Non-Lawyer Affiliate Member)

Metro Atlanta Chamber of Commerce – Biosciences Leadership Council member (2010 – 2011)

Metro Atlanta Chamber of Commerce – Medical Devices Committee member (2010 – 2011)