



## **CURRICULUM VITAE** **KAREN B. FORTUNE**

Certified Public Accountant  
Certified in Financial Forensics  
Chartered Global Management Accountant  
Master of Accountancy

### **EDUCATION**

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

### **PROFESSIONAL EXPERIENCE**

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Ms. Fortune serves as a Partner in IAG Forensics' forensic accounting and litigation services practice. Karen has over twenty 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 Auditing Standards (GAAS). 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
- Complex financial damages
- Securities litigation
- Corporate internal investigations on behalf of Special Counsel, Boards of Directors, Audit Committees and/or management teams (including financial statement fraud and improper use of funds)
- 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)

## **SELECT EXPERIENCE**

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- 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, training services and manufacturing.
- 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 public corruption matter on behalf of metro-Atlanta county's District Attorney's office. Performed funds tracing and financial analyses relating to the sources and uses of funds by parties included in the indictment. Provided expert witness testimony relating to the funds tracing leading to successful prosecution.
- Investigated alleged bank fraud of bank president, performing funds tracing through multiple customer loan, cash and credit accounts on behalf of bank. Assisted FDIC in concurrent investigation by providing documentation and findings which led to successful prosecution.
- 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.
- Performed analysis and calculation of lost profits related to a surgeon's dismissal from a metro-Atlanta hospital.
- 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.
- Financial analysis and review of accounting records to determine royalties due under inventor agreement with University research organization.
- Performed investigation of three Charter schools in metropolitan-Atlanta county school district with Director of Internal Audit. Provided report to counsel on operational and financial issues and identified several conflicts of interest, compliance and potential liability issues for district follow-up.

- 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.
- Investigated alleged fraud of CEO on behalf of national franchise organization's board of directors. Performed funds tracing and determined CEO misappropriated in excess of \$1 million through improper use of payroll, company's retirement plans and other accounts.
- Investigated damage claims resulting from catastrophic event involving major transportation and engineering firms. Assisted defense counsel in determining excessive claims for purposes of mediation.
- Performed investigation of alleged bank fraud involving loan syndication. Participating banks asserted lead bank withheld certain facts from syndicated leading to loan losses.
- 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 performed document review of dispute related to adequacy of due diligence procedures performed in multi-million dollar acquisition.
- 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, engineering, 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.
- 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**

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“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 – 4<sup>th</sup> Annual Professionalism CLE Seminar

“The EBITDA Enigma” January 2009, Business & Finance Section of the Atlanta  
Bar Association – 4<sup>th</sup> 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**

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**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)

**Effective Use of Experts in Fraud Matters** - Institute of Continuing Legal  
Education in Georgia (State Bar of Georgia) Expert Testimony Conference  
(October 2012)

**Guest Lecturer at Clayton State University** (March 2012, January 2013) – Forensic Accounting Course

**Guest Lecturer at Southern Polytechnic Institute** (January 2013) - Auditing Course; (November 2013) – Forensic Accounting Course; (November 2014) – Forensic Accounting Course

**When CEOs and CFOs Run Amok – Top Fraud Prevention Strategies for GCs –** Daily Report In-House Counsel CLE Seminar Series (January 2013)

**The Risks and Rewards of a Forensic Accounting Practice** – DeKalb and Gwinnett Chapters of GSCPA (February and March 2013)

**Audit Malpractice Issues – Impact of Management Fraud on Auditors** – IIA CSRA CPE Conference (June 2013)

**Before the Valuation – Cleaning Up Financial Statement When Fraud Has Occurred** – NACVA State of Georgia Annual Meeting (October 2013)

**Guest Lecturer at Georgia Gwinnett College** (March 2014) - Auditing Course

**Guest Lecturer at Kennesaw State University's CPE for CPAs Program** (November 2014) – Fraud Prevention and Detection Training for CPAs

**EXPERT  
TESTIMONY  
EXPERIENCE**

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**State v. Sonequa James**  
DeKalb County Grand Jury Testimony – **February 2015**

**Melanie Millner v. Guy Wesley Millner, Jr.**  
Superior Court of Fulton County  
Hearing Testimony – **March 2014**

**Rodney S. Allen and Robin D. Allen v. Jason J. Watson**  
Superior Court of Forsyth County  
Hearing Testimony – **March 2014**

**RL BB ACQ II-GA Harp, LLC v. John E. Ramsey, III, et al**  
Superior Court of Fulton County  
Hearing Testimony – **February 2014**

**Susan Kolb, MD, et. al. v. Saint Joseph's Health System, Inc.**  
State Court for the County of Fulton, State of Georgia  
Deposition Testimony – **November 2013**

**The State vs. Crawford Lewis, Patricia Pope, aka: Patricia Reid and Anthony Vincent Pope**

Dekalb County Superior Court D0201091-06

Trial Testimony – **November 2013**

**Pinnacle at Eagles' Pointe, LLC v. Dr. Tarsem Gupta d/b/a Atlanta Pulmonary Care and Tarsem Gupta, M.D. and TSM Group, Inc. v. Pinnacle at Eagles' Pointe, LLC and M. Shailendra**

HMA Docket #13-171274 Arbitration

Deposition Testimony – **August 2013**

Arbitration Testimony – **September 2013**

**Akbas v. Cash 4 Gold, et al**

Superior Court of Fulton County

Trial Testimony – **May 2013**

**D.E.W. Plumbing, Inc.. et al v. Domestic Mortgage, Inc., et al**

United States District Court for the Northern District of Georgia (Atlanta Division)

Deposition Testimony – **December 2012**

Trial Testimony – **May 2013**

**Star Life Productions, Inc. v. Georgia World Congress Center Authority, and the State of Georgia**

State Court of Fulton County, State of Georgia

Deposition Testimony – **April 2013**

**Stephen Barnett v. Earthwise Industries, Inc., Andrew Fullard, Adena Fullard and Jane Hix**

Superior Court of Gwinnett County

Deposition Testimony – **March 2013**

Trial Testimony – **August 2014**

**Akbas v. Serbest**

Superior Court of Fulton County – Family Division

Hearing Testimony – **November 2012**

Trial Testimony – **April 2013, May 2013 (continued)**

**Sahlu v. Sahlu**

Superior Court of Gwinnett County

Hearing testimony – **April 2012** (Lawrenceville, Georgia)

**Hospital Authority of Rockdale County v. Goldman Sachs Capital Partners V Fund, L.P., et al**

United States District Court for the Southern District of New York

Deposition testimony – **February 2012** (Atlanta, Georgia)

**Nash v. Nash**

Superior Court of Fulton County

Hearing testimony – **February 2012** (Atlanta, Georgia)

**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** (Atlanta, Georgia)

**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** (Atlanta, Georgia)

## **PROFESSIONAL AFFILIATIONS**

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American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

Georgia Society of Certified Public Accountants – Forensic and Valuation Services Section Leadership Committee (**Chair of Fraud Prevention and Detection Division** January 2010 – July 2013; **Vice Chair of FPDD** July 2013 – December 2013; **Chair of Fraud & Forensic Accounting Conference** 2014; **Member of Fraud & Forensic Advisory Committee** (August 2014 – Present)

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); Medical Devices Committee member (2010 – 2011)