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Christopher C. Lucas
CFA, CPA
Principal

Mr. Lucas has more than 20 years of business valuation experience gained as an investor in the debt capital markets, as a commercial loan officer and workout lender and as a business appraiser. During the course of his career, Mr. Lucas has assisted financial institutions, attorneys, accountants and others in investment management, financial restructuring, tax reporting and financial reporting assignments.

EXPERIENCE

CORPORATE FINANCE AND CAPITAL MARKETS ACTIVITIES

Mr. Lucas gained extensive corporate finance expertise through more than a decade of service in the debt capital markets. During this period his responsibilities included:

- Participation in the arrangement, structuring and pricing of investment grade and below investment grade corporate debt instruments in primary market syndications of loans and bonds
- Analysis and pricing of investment grade and below investment grade corporate loans and bonds in secondary market trading activity
- Analysis and pricing of distressed corporate debt instruments
- Analysis and pricing debt instruments of emerging market sovereign and corporate issuers
- Negotiated and structured credit linked notes referencing baskets of emerging market debt instruments
- Analysis and pricing of equity securities
- Analysis, structuring and pricing of complex transactions including total return swaps, credit default swaps, interest rate swaps and other credit derivatives
- Participation in the arrangement, structuring, management and pricing of complex structured corporate and consumer finance transactions (structured finance CDO's)

During this period, Mr. Lucas and his teams of analysts managed portfolios with aggregate value in excess of \$1.5 billion and generated US dollar profits totaling in the hundreds of millions.

DEBT RESTRUCTURINGS

Mr. Lucas has led numerous corporate debt restructurings in a broad range of manufacturing and service industries. Samples of his experience include:

- Formed expert opinions about the quality and sustainability of debtor earnings and the feasibility of numerous plans of reorganization
- Determined interest rates appropriate for loans to reorganized debtors
- Negotiated and priced amendments to credit agreements after borrowers violated loan covenants
- Organized lending syndicates to increase the negotiating leverage of institutional investors in troubled loan restructurings
- Worked in cooperation with the debtor and the lending group to facilitate sale of corporate assets under Chapter 11 corporate restructurings
- Participated on numerous loan steering committees in Chapter 11 corporate reorganizations



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- Negotiated with the debtor, other creditor groups and other interested parties during the Chapter 11 reorganization process including direct negotiation with European automotive OEM's in a multi-billion dollar corporate reorganization of a US domiciled automotive parts manufacturer.

The success of any troubled debt restructuring is predicated upon understanding of the intrinsic value of the borrower and the relative value of the debt instruments represented in its capital structure. Mr. Lucas attributes his success in troubled debt restructurings to his ability to assess the value of companies facing a complex set of business circumstances.

FINANCIAL REPORTING

As a CFA and CPA, Mr. Lucas has a strong understanding of generally accepted accounting principles (GAAP). Mr. Lucas has performed a variety of valuations for financial reporting purposes including purchase price allocations, goodwill and intangible asset impairment testing and valuation of executive compensation packages.

CORPORATE TAXATION

Mr. Lucas has extensive experience in valuing businesses entities for estate and gift tax purposes. In determining the fair market value of a business entity, the IRS requires more than simple calculations. Mr. Lucas assists high net worth individuals and their advisors in determining the proper methodology, theory and empirical evidence needed to support fair market values in accordance with the guidelines established by Section 20.2031 of the estate tax regulations and Section 25.2701 of the gift tax regulations, as well as Revenue Ruling 59-60.

In addition to valuing businesses entities for estate and gift tax purposes, Mr. Lucas also has extensive experience valuing the domestic and international business assets of multinational corporations established by Section 861 of the US Internal Revenue Code.

LITIGATION

Mr. Lucas has participated in the preparation of numerous, thoroughly documented valuations and economic studies for clients involved in negotiation, mediation, due diligence, reporting, audit, commercial damages and other disputes.

EMPLOYMENT HISTORY

2010 – Present

ValueScope, Inc.

Director

Mr. Lucas joined the Company as a Director to provide valuation, financial modeling and other services to a select group of clients that expect a high level of financial analysis. As a CFA with significant valuation and capital markets experience, Mr. Lucas is able to deploy a broad range of skills on behalf of his clients.

2008 – 2010

Main Street Debt Advisors, LLC

Principal

Mr. Lucas founded Main Street Debt Advisors LLC to provide sell side transaction advisory services to lower middle market clients seeking to sell their businesses and/or raise capital. Mr. Lucas also provided services to prospective buyers interested in acquiring lower middle market businesses. Mr. Lucas was



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able to leverage his capital markets experience to advise clients about projects they could undertake to enhance the value of their businesses. In certain circumstances, Mr. Lucas was also able to provide bankruptcy planning advice to clients.

2005 – 2008

ORIX USA Corporation **Director of Credit Research**

At ORIX, Mr. Lucas led a team of analysts and co-managed a \$1.2 billion portfolio of syndicated loans, high yield bonds and structured credit instruments. Under Mr. Lucas' guidance, ORIX's Capital Markets unit realized record profits during the fiscal year ended March 31, 2007.

2003 – 2005

Deutsche Bank Securities, Inc. **Director**

After Mr. Lucas generated record profits at Highland in 2002, Deutsche Bank recruited him to create fixed income investment strategies for its proprietary trading portfolio and for its clients. During this period, Mr. Lucas created numerous trading ideas which generated millions of dollars in profits for Deutsche Bank and its clients.

1997 – 2003

Highland Capital Management, LP **Portfolio Manager & Team Leader**

Mr. Lucas led Highland's automotive and transportation industry investment portfolio. During this period, he oversaw a portfolio with average invested assets averaging \$400 million and generated investment returns which consistently exceeded industry performance benchmarks. In addition to his portfolio management responsibilities, Mr. Lucas served on the investment committee of Highland's distressed debt investment portfolio, oversaw the acquisition of a \$300 million distressed loan portfolio from a bank exiting the syndicated loan business and served as CFO of a distressed portfolio investment company during 1999.

1994 – 1997

Price Waterhouse LLP **Senior Business Valuation Consultant**

As a Senior Consultant in Price Waterhouse's business valuation group, Mr. Lucas managed a team of analysts conducting a variety of business valuation engagements. Sample engagements included business valuations for estate and gift tax planning, bankruptcy estate planning, international asset allocations for tax purposes, divorce proceedings and other litigation, financial reporting and others.

1993 – 1994

Price Waterhouse LLP **Staff Auditor**

As a staff auditor, Mr. Lucas audited client financial records for financial reporting purposes.

1988 – 1990

NCNB Texas **Banking Officer**

During this period, Mr. Lucas worked as a credit analyst and then as a banking officer restructuring troubled business loans.

EDUCATION

- Texas A&M University, M.S., Finance – December, 1992
Mr. Lucas was admitted to Texas A&M in August 1990 to pursue doctoral level studies in Finance. At the end of 1991, he elected to discontinue his pursuit of a Ph.D. and enrolled in the M.S. Finance program from which he graduated with honors.
- University of Texas at San Antonio, B.B.A., Finance – May, 1988
Magna Cum Laude graduate



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PROFESSIONAL DESIGNATIONS & LICENSES

- Chartered Financial Analyst (CFA), CFA Institute
- Certified Public Accountant (CPA), licensed in the State of Texas
- Formerly licensed by FINRA as a licensed securities representative (Series 7 & 63)

SPEAKING ENGAGEMENTS

“An Overview of the Distressed Debt Market” – Spring 2010 to FINC 489 students at Texas A&M University

“Preparing Your Business for Sale” – February 2, 2012 to the Tarrant County Bar Association Diversity Committee

“Oil & Gas Reserves – Distressed Market Values” – Spring 2016 to the Harris County Bar Association Bankruptcy Section and to the Tarrant County Bar Association Energy Section

“An Overview of Economic Topics and Their Implications to Financial Markets” – April 2016 to the Kiwanis Golden K Club of Fort Worth

PUBLICATIONS

“Using ESOPs to Sell Closely Held Energy Service Businesses”, *Natural Gas & Electricity* © 2012, Oct., Wiley Periodicals, Inc., a Wiley company

“First Quarter Results Show Positive Effects of Low Interest Rate Environment”, *Natural Gas & Electricity* © 2013, June, Wiley Periodicals, Inc., a Wiley company



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RECENT CIVIL & BANKRUPTCY COURT REPORTS, TESTIMONY AND DEPOSITIONS

Expert Witness – District Court, 342nd Judicial District of Tarrant County, Texas, Cause No. 342-283335-16, *William L. (Les) Yates, Jr. et al, Plaintiffs v. Donna Andrews and Bruce Schultes, Defendants*

- Expert Report September 2016
- Testimony Pending

Expert Witness – United States District Court, Northern District of Texas, Dallas Division, Civil Action No. 3:14-cv-0361-B, *TAP Acquisition, Inc. et al v. Vianet Group, PLC et al.*

- Expert Report October 2015

Expert Witness – United States Bankruptcy Court, Northern District of Texas, Dallas Division, July 2015, *Couture Hotel Corporation, Debtor.*

- Expert Report July 2015
- Deposition July 2015
- Testimony July 2015

Expert Witness – United States District Court for the Eastern District of Texas, Sherman Division, Case No: 14-40752, Adv. No. 14-04085 *In Re: Victor Lissiak, Jr., Debtor; Christopher J. Moser, Trustee, Plaintiff, v. Victor Lissiak, III, Defendant.*

- Case Settled
- Report December 2014
- Deposition February 2015

Expert Witness – United States Bankruptcy Court, Northern District of Texas, Fort Worth Division, Case No: 14-41881-rfn *Steve Burt, Debtor.*

- Testimony December 2014

Expert Witness – United States District Court for the Northern District of Texas, Civil Action No. 3:14-cv-01434-M, *Biotalk Technologies, Inc., Plaintiff vs. Sadick Research Group, et al, Defendants*

- Case Settled
- Expert Report October 2014

Expert Witness – United States Bankruptcy Court, Northern District of Texas, Dallas Division, Case No: 14-31891-sgj *Sunstar Hospitality, LLC, Debtor.*

- Case Settled

Expert Witness – United States Bankruptcy Court, Eastern District of Texas, Tyler Division, Case No: 14-60022 *Emory Lodging, LP dba Best Western Plus Emory Inn & Suites at Lake Fork, Debtor.*

- Case Settled

Expert Witness – United States Bankruptcy Court, Northern District of Texas, Fort Worth Division, Case No: 13-42626-11 *James E. Helzer, Marilyn K. Helzer, Debtors.*

- Testimony May 2014

Expert Witness – United States Bankruptcy Court, Eastern District of Texas, Sherman Division, Case No: 13-40845 *Dhillon Hospitality, LLC, Debtor.*

- Case Settled
- Expert Report January 2014



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Expert Witness – United States Bankruptcy Court, Southern District of Texas, Houston Division, Civil Action No. 4/12-cv-03120, August 2013, *National Oilwell Varco, L.P. Plaintiff vs. Mud King Products, Inc. et al.*

- Testimony October 2013
- Deposition September 2013
- Expert Report August 2013

Expert Witness – United States Bankruptcy Court, Northern District of Texas, Dallas Division, June 2013, *R&R Suleiman, LLC, Debtor.*

- Testimony June 2013
- Plan Confirmed

Expert Witness – United States Bankruptcy Court, Northern District of Texas, Dallas Division, May 2013, *Sunflower Hospitality, LLC, Debtor.*

- Expert Reports May (Interest Rate Analysis), June 2013 (Business Valuation)
- Parties Stipulated to Concluded Business Value
- Plan Confirmed

Expert Witness – United States Bankruptcy Court, Eastern District of Texas, Sherman Division, April 2013, *Virginia Oak Venture, LLC, Debtor.*

- Testimony June, July 2013
- Expert Report April 2013
- Deposition April 2013
- Plan Confirmed

RECENT IRS CASES - OFFICE OF CHIEF COUNSEL

Expert Witness – United States Tax Court (West Palm Beach, FL) 2011, T.C. Docket Nos. 2685-11, 8393-12 *Dynamo Holdings, Limited Partnership, Dynamo, GP, Inc.. Tax Matters Partner, Beekman Vista, Inc., Petitioners, v. Commissioner of Internal Revenue, Respondent.* International financing transactions subject to IRC Section 482

- Expert Report September 2016
- Testimony January 2017

Expert Witness – United States Tax Court (Washington D.C.) 2013, T.C. Docket Nos. 16651-13, 16652-13, 16653-13, 16654-13, 16655-13, 16656-13, 16657-13, 16658-13, 16659-13, 16660-13, 16661-13, 16662-13, 16663-13, 16664-13, 19556-13, *Tyco Electronics Corp. et al., Petitioner, v. Commissioner of Internal Revenue, Respondent.* International financing transactions subject to IRC Section 482

- Case settled

RECENT IRS CASES – LB&I AUDIT DIVISION

Expert Witness – IRS LB&I Audit Division – Houston, TX, 2016, International financing transactions subject to IRC Section 482

- Federal Fast Track Appeals Testimony – Houston, TX, January 2016
- Expert Report March 2013



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RECENT DEPARTMENT OF JUSTICE CASES

Expert Witness – United States Court of Federal Claims, Case 1:06-cv-00030-EGB, January 2006, *Russian Recovery Fund Limited, Russian Recovery Advisors, LLC – Tax Advisor, Complainant vs. The United States, Respondent*

- Testimony April 2015
- Deposition February 2014
- Expert Report December 2013