

**APPLICATION TO EMPLOY AHUJA & CLARK, PLLC AS ACCOUNTANTS TO
RECEIVER EFFECTIVE AS OF APRIL 1, 2022**

TO THE HONORABLE U.S. MAGISTRATE JUDGE HAL R. RAY, JR.:

Deborah D. Williamson, in her capacity as the Court-appointed Receiver (the “Receiver”) for the Receivership Parties (as defined in the Receivership Order) and receivership estates (collectively, the “Receivership Estates”) in the above-captioned case (the “Case”), hereby files this *Application To Employ Ahuja & Clark, PLLC, as Accountants To Receiver Effective as of April 1, 2022* (the “Application”), requesting entry of an order, substantially in the form of the proposed order (the “Proposed Order”) attached hereto as **Exhibit A**, pursuant to this Court’s *Order Appointing Receiver* (the “Receivership Order”) [ECF No. 17] and the Local Rules for the United State District Court for the Northern District of Texas, requesting approval of employment of the accounting firm Ahuja & Clark, PLLC (“A&C”) as accountants to the Receiver in this Case, effective as of April 1, 2022. In support of this Application, the Receiver respectfully represents the following:

I. Background

1. On December 1, 2021 (the “SEC Application Date”), Plaintiff, the Securities and Exchange Commission (the “Commission”), filed its *Emergency Motion for a Temporary Restraining Order and Emergency Ancillary Relief* which included an application for the appointment of a receiver for the Receivership Parties (the “SEC Application”) [ECF No. 3].

2. On December 2, 2021, this Court determined that entry of an order appointing a receiver over the Receivership Parties was both necessary and appropriate to marshal, conserve, hold, and operate all of the Receivership Parties’ assets pending further order of this Court. Accordingly, the Court entered the Receivership Order on December 2, 2021, appointing Deborah D. Williamson as the Receiver over the Estates in this Case [ECF No. 17].

3. Pursuant to Paragraph 8(H) on page 5 of the Receivership Order, the Receiver is authorized to employ professionals as the Receiver judges necessary to perform the Receiver's duties set forth in the Receivership Order. Further, pursuant to Paragraph 60 on pages 20–21 of the Receivership Order, the Receiver is authorized to solicit persons and entities to assist the Receiver in carrying out the Receiver's duties and responsibilities described in the Receivership Order. However, the Receiver shall not engage any such persons without first obtaining an order from the Court authorizing such engagement.

4. The Court previously approved the Receiver's engagement of Vicki Palmour Consulting, LLC ("Palmour") as oil and gas consultant effective as of January 1, 2022 [ECF Nos. 98, 106] and BDO USA, LLP ("BDO") as forensic expert and investigative consultant effective December 23, 2021 [ECF Nos. 65, 88].

5. The Receiver has determined that the employment of A&C to perform accounting and tax services is necessary to satisfy the Receiver's duties on behalf of the Estates. A&C will not duplicate Palmour's services, which are concentrated on payroll, calculation of royalty obligations, and compliance with Texas Railroad Commission regulations. Moreover, A&C will not duplicate BDO's services, as BDO is focused on data collection from Panama servers. It is currently anticipated that the data collection from Panama will be completed by the end of April 2022.

6. Specifically, the Receiver requires assistance with various accounting and tax filings and reporting, including to the Internal Revenue Service and/or Social Security Administration, this Court, and the Commission, preparing tax returns, preparing quarterly reports, analyzing financial reports and statements of the Receivership Parties, calculating any distributions

of payments owing by one or more Receivership Parties, and tracing of assets and payments to and by the Receivership Parties.

II. RELIEF REQUESTED

7. The Receiver seeks entry of the Proposed Order authorizing the employment and retention of A&C effective as of April 1, 2022, as accountants to handle issues related to the Estates, including, but not limited to, financial and forensic accounting and tax analyses, filings, and reporting. The Receiver continues to share the Court's concern regarding professional fees in this Case. Prior to the selection of A&C, the Receiver or her advisors identified a number of firms that could assist with these services. She requested proposals from multiple firms. Ultimately, the Receiver selected A&C based on the firm's retention in other federal receivership and bankruptcy cases, expertise in accounting and tax reporting and related services, and discounted rates for its professionals in 2022 for this Case. A copy of the proposed engagement letter (the "Engagement Letter") with A&C is attached hereto as Exhibit B, which details the proposed services to be provided on behalf of the Receiver. Of specific note, page 2 of the Engagement Letter includes A&C's acknowledgement of the Commission's Billing Instructions.

8. The Engagement Letter includes a limitation of liability provision at the bottom of page 2, providing:

Client agrees that A&C and its personnel will not be liable for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid by them to A&C pursuant to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of A&C. In no event will A&C or its personnel be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense relating to this engagement.

Engagement Letter, at p. 2.

9. It is likely that the Receiver and the A&C team will be confronted with and be required to respond to matters that cannot be anticipated at this time. The issues listed herein and in the Engagement Letter and any ancillary issues related thereto are collectively referred to in this Application as the “Accounting and Tax Issues.”

10. The approval of this Application, effective as of April 1, 2022, will not prejudice any parties-in-interest in this Case, is appropriate, and is in the best interests of the Estates and its parties-in-interest. A&C will also aid in analysis of potential claims owned by the Receivership Parties and development of a claims process for creditors and investors.

11. The Receiver believes the most efficient and cost-effective decision is to hire A&C for the Accounting and Tax Issues, with the assistance of her counsel as necessary. The Receiver believes that employing A&C for these purposes makes business sense and is in the best interest of the Estates.

III. QUALIFICATIONS OF AHUJA & CLARK, PLLC

12. A&C is a full-service accounting firm founded and based in Texas for more than 19 years. A&C is a Texas Historically Underutilized Business, a Minority Business Enterprise, and a Women Business Enterprise, as defined by the North Central Texas Regional Certification Agency. A&C’s corporate office is located in Plano, Texas, but A&C serves clients across the nation and internationally. A&C’s team consists of Certified Public Accountants, Certified Fraud Examiners, Certified Financial Analysts, and other professionals with extensive fraud investigative and receivership experience.

13. A&C has been retained in similar engagements with federal receiverships in this District. Specifically, A&C provided forensic accounting and disbursement services to the receiver in *SEC v. William Neil “DOC” Gallagher, et al.*, No. 3:19-cv-00575-G (N.D. Tex. 2019).

A&C also provided tax assistance to the receiver in *CFTC v. TMTE, Inc., et al.*, No. 3:20-cv-02910-L (N.D. Tex. 2020).

14. A&C proposes Carolyn Bremer and Madhu Ahuja as the overall engagement leaders. Additionally, A&C will provide team leads for the areas of accounting, forensics, and tax. Biographies of the proposed A&C team are attached hereto as **Exhibit C**.

15. A&C is unaware of any conflicts with the Receivership Parties or the Receivership Assets and/or Recoverable Assets.

16. As of the SEC Application Date, none of the Receivership Parties owed amounts to A&C.

17. The Receiver submits that A&C’s retention in this Case would be in the best interests of the Estates and the parties-in-interest thereof.

IV. COMPENSATION AND REIMBURSEMENT

18. Subject to this Court’s approval of A&C’s engagement, the Receiver proposes compensating A&C on an hourly basis and for reimbursement of any reasonable out-of-pocket expenses for certain support activities incurred relating directly to work performed for the Receiver in this Case. A&C proposes discounted hourly rates based on the professional level of experience provided as follows:

<u>Experience Level</u>	<u>Standard Hourly Rate</u>	<u>Discounted Hourly Rate</u>
Engagement Leaders	\$350	\$325
Managers/CPA/CFA/EA	\$280	\$250
Senior Associate/Project Manager	\$210	\$180
Associate	\$150	\$120

19. A&C shall seek approval for compensation of its fees and expenses on an interim and final basis in accordance with the Court’s Receivership Order, the local rules of this Court, the Billing Instructions, and other applicable orders of the Court. A&C will keep contemporaneous

time records on a daily basis and track its billings on a tenth-of-an-hour basis with time charges allocated accordingly.

V. NOTICE

20. Notice of this Application has been provided via CM/ECF to: (a) counsel to the Commission and (b) any persons who have formally appeared and requested notice in this Case, as applicable. The Receiver submits that no other or further notice need be provided.

WHEREFORE, the Receiver respectfully requests that this Court enter the Proposed Order (a) authorizing the employment of A&C as accountants for the Receiver in this Case effective as of April 1, 2022; (b) authorizing A&C to be compensated as set forth herein; and (c) awarding the Receiver such other and further relief that this Court deems just and proper.

Dated: April 6, 2022

Respectfully submitted,

By: /s/ Danielle N. Rushing

Jeffrey R. Fine

(Lead Counsel)

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Alison R. Ashmore

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DYKEMA GOSSETT PLLC

1717 Main Street, Suite 4200

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and

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and

Rose L. Romero

State Bar No. 17224700

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LAW OFFICES OF ROMERO | KOZUB

235 N.E. Loop 820, Suite 310

Hurst, Texas 76053

Telephone: (682) 267-1351

COUNSEL TO RECEIVER

CERTIFICATE OF CONFERENCE

I hereby certify that on April 5, 2022, I conferred with counsel for Plaintiff Securities and Exchange Commission (the “Commission”); counsel for Defendant Rustin Brunson (“Brunson”); counsel for Defendant Manjit Singh (aka Roger) Sahota, Relief Defendant Sunny Sahota, Relief Defendant Harprit Sahota, and Relief Defendant Monroe Sahota (collectively “Sahota”); counsel for Defendant John Muratore, Defendant Thomas Brad Pearsey, and Relief Defendant Muratore Financial Services, Inc. (“Grannatt”); Defendant James Ikey (unrepresented) (“Mr. Ikey”); and Relief Defendant Bridy Ikey (unrepresented) (“Mrs. Ikey”) as to the terms and conditions of the employment of Ahuja & Clark, PLLC as set forth in the foregoing Application. The Commission supports the relief sought in this Application. At the time of filing the Application, Brunson, Sahota, Grannatt, Mr. Ikey, and Mrs. Ikey have not responded to the undersigned counsel and, as a result, have not indicated whether the respective party supports, objects, or takes no position on the Application.

/s/ Danielle N. Rushing
Danielle N. Rushing

CERTIFICATE OF SERVICE

I hereby certify that on April 6, 2022, the foregoing document was served via CM/ECF on all parties appearing in this case and via email on the following unrepresented parties on this Court's docket:

James Ikey
Bridy Ikey
103 Bayonne Drive
Mansfield, TX 76063
james.ikeyrcg@gmail.com
bridydikey@gmail.com

IGroup Enterprises LLC
c/o James Ikey
103 Bayonne Drive
Mansfield, TX 76063
james.ikeyrcg@gmail.com

John Muratore
c/o Theodore Grannatt
McCarter & English, LLP
265 Franklin Street
Boston, MA 02110
tgrannatt@mccarter.com

Muratore Financial Services, Inc.
c/o Theodore Grannatt
McCarter & English, LLP
265 Franklin Street
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tgrannatt@mccarter.com

Thomas Brad Pearsey
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265 Franklin Street
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tgrannatt@mccarter.com

/s/ Danielle N. Rushing
Danielle N. Rushing

EXHIBIT A

ORDER APPROVING EMPLOYMENT OF AHUJA & CLARK, PLLC AS ACCOUNTANTS TO RECEIVER EFFECTIVE AS OF APRIL 1, 2022

Before the Court is the *Application to Employ Ahuja & Clark, PLLC as Accountants to Receiver Effective April 1, 2022* (the “Application”),¹ filed by Deborah D. Williamson, Court-appointed Receiver in the Case, pursuant to the Court’s *Order Appointing Receiver*, entered on December 2, 2021, in this Case; the Court finds that: (i) it has subject matter jurisdiction over the Application; (ii) it has personal jurisdiction over the Receivership Parties; (iii) Ahuja & Clark, PLLC (a) does not represent or hold any interests adverse to the Receivership Parties or the Estates and (b) is disinterested and not otherwise disqualified from representing the Receiver; (iv) the Receiver’s employment of Ahuja & Clark, PLLC under the scope outlined in the Application is in the best interests of the Estates; (v) proper and adequate notice of the Application has been given and that no other or further notice is necessary; (vi) the Commission does not oppose the Application; (vii) (a) the Receiver engaged Ahuja & Clark, PLLC on April 1, 2022, and (b) the employment of Ahuja & Clark, PLLC should be effective as of that date; and (viii) the Receiver has shown good, sufficient, and sound business purpose and justification for the relief requested in the Application, and that, after due deliberation thereon, good and sufficient cause exists for approving the relief requested therein; accordingly,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is **APPROVED**.

¹ Capitalized terms used herein but not otherwise defined shall have the meaning ascribed in the Application.

2. Pursuant to the Receivership Order, the Receiver is authorized to employ and retain Ahuja & Clark, PLLC as accountants in accordance with the compensation terms detailed in the Application effective as of April 1, 2022.

3. Ahuja & Clark, PLLC is authorized to provide such professional services in this Case and assist the Receiver in relation to the Accounting and Tax Issues outlined in the Application, including, without limitation, any issues ancillary and related thereto.

4. Ahuja & Clark, PLLC shall file applications for the approval of compensation of its fees and expenses on an interim and final basis in compliance with the Court's Receivership Order, the local rules of this Court, and such other procedures that may be fixed by an order of this Court.

SO ORDERED.

[_____], 2022.

HAL R. RAY, JR.
UNITED STATES MAGISTRATE JUDGE

Prepared and submitted by:

Jeffrey R. Fine

(Lead Counsel)

State Bar No. 07008410

jfine@dykema.com

Alison R. Ashmore

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COUNSEL TO RECEIVER

EXHIBIT B



Ahuja & Clark, PLLC

Certified Public Accountants

Tax & Accounting • Business Valuation • Business Interruption

April 1, 2022

Ms. Deborah D. Williamson
Deborah D. Williamson, Solely in Her Capacity as Court-Appointed Receiver in TXND Case No.
4-21cv-1310-O
Dykema
112 E. Pecan Street, Suite 1800
San Antonio, Texas 78205

Via email: DWilliamson@dykema.com

*U.S. Securities and Exchange Commission
v. The Heartland Group Ventures, LLC, et al., No. 4:21-cv-01310*

Dear Ms. Williamson:

This letter confirms that you, as the Court Appointed Receiver in the above captioned matter (the "Client") are engaging Ahuja & Clark, PLLC (A&C) to provide forensic, accounting, and tax consulting services in regard to the above referenced matter. While professionals of A&C working on this engagement will provide opinions and conclusions when requested, the scope of the work performed will be conducted at your direction. The scope of the engagement is intended for A&C to provide tax service and accounting services, as well as forensic accounting analysis of financial records and transactions regarding the issues in this matter.

All information obtained or prepared by A&C in relation to this engagement will be considered confidential. A&C will not disclose to anyone, without your permission, except as may be required by law, regulation, or judicial or administrative process, the content of any oral or written communications received during the course of this engagement, nor any information gained from the inspection of any documents or records related to this engagement. A&C will immediately notify you upon the occurrence of either of the following events: (a) a request by anyone to examine, inspect or copy any documents or records in our possession which relate to this engagement; or (b) a service or attempted service upon A&C of a court order, subpoena,

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summons or formal or informal request which calls for testimony or production of any documents or records related to this engagement.

The work papers and other materials created by A&C during this engagement are the property of A&C. All of your documents in our possession will be returned to you upon your request.

A&C knows of no conflicts of interest based upon the names of the parties you have provided. You acknowledge that you are not aware of any potential conflicts of interest relating to A&C, and that any such conflicts that are discovered by you will be brought to our attention immediately.

Fees

A&C fees for this engagement are not contingent on the results of its services. Unless agreed otherwise in writing, A&C's standard rates for year 2022 are:

- Engagement Leaders - \$325 per hour
- Managers/CPA/CFA/EA - \$250 per hour
- Senior Associate/Project Manager - \$180 per hour
- Associate - \$120 per hour

Any additional work when requested by Client will also be billed at these hourly rates. In addition, Client agrees to reimburse A&C for any out-of-pocket costs incurred in connection with the performance of A&C services to include photocopying, delivery services, and travel. In addition, A&C will be compensated at the above rates for time and expenses (including, without limitation, reasonable legal fees and expenses) that we incur in considering or responding to discovery requests or other requests for documents or information, or in participating as a witness or otherwise in any legal, regulatory, or other proceedings, including, without limitation, those other than the instant matter, as a result of A&C's performance of these services.

A&C has received and acknowledges The Billing Instructions for Receivers in Civil Actions Commenced by the U.S. Securities and Exchange Commission. Invoices will be presented monthly with payment anticipated upon approval by the Court. A&C reserves the right to suspend services or to withdraw from this engagement in the event that any invoices are deemed delinquent. In any event, all fees and expenses incurred to date must be paid prior to our issuance of reports or rendering of deposition or trial testimony.

Client agrees that A&C and its personnel will not be liable for any claims, liabilities, or expenses relating to this engagement for an aggregate amount in excess of the fees paid by them to A&C pursuant to this engagement, except to the extent finally judicially determined to have resulted from the bad faith or intentional misconduct of A&C. In no event will A&C or its personnel be liable for consequential, special, indirect, incidental, punitive or exemplary loss, damage, or expense relating to this engagement. The Client may terminate this agreement at any time. Upon notice of termination, we will stop all work immediately. The Client will be responsible for all fees and expenses incurred prior to our stopping work.

April 1, 2022

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A&C looks forward to working with the Client during this project. If this proposal is in accordance with the Client's understanding of A&C's engagement, please sign the enclosed copy of this letter and return it to A&C. Please sign and retain the original for the Client's files. If this firm does not receive from Client the original of this letter in fully executed form, but receives from tax documents, financial statements, and/or other supporting documentation requested, then such receipt by this office shall be deemed to evidence of Client's acceptance of all of the terms set forth above.

If the Client has any questions or comments regarding the terms of this Agreement, please do not hesitate to call Madhu Ahuja at (469) 467-4660.

Sincerely,



Madhu Ahuja, CPA, ABV, CVA, CFE
Managing Member
Ahuja & Clark, PLLC

Accepted:

Ms. Deborah D. Williamson

Date

Deborah D. Williamson, Solely in Her Capacity as Court-Appointed Receiver in TXND Case No. 4-21cv-1310-O

EXHIBIT C



Madhu Ahuja, CPA, ABV, CVA, CFE

President

Ahuja & Clark, PLLC

mahuja@ahujaclark.com

(469) 467-4660

Madhu Ahuja is the President and founder of Ahuja & Clark, PLLC and has over 22 years of public accounting, tax and forensic experience. She specializes in complex financial investigations, forensic accounting, business income loss calculations, calculation of economic damages, business valuations and litigation support.

EDUCATION

Master of Science - Management & Administrative Sciences

The University of Texas at Dallas, Richardson, Texas

Post Graduate Diploma in Business Administration, Finance

Institute of Productivity Management, Kanpur, India

CERTIFICATIONS

Certified Public Accountant (CPA), Texas

Accredited in Business Valuation (ABV)

Certified Valuation Analyst (CVA)

Certified Fraud Examiner (CFE)

PROFESSIONAL EXPERIENCE

Ahuja & Clark, PLLC

PricewaterhouseCoopers, LLP

2003 - Present

1996 - 2002

SERVICE EXPERTISE

- Tracing and characterization of assets, and Fraud Analysis for Receivership
 - Reconstruction of financial records for Court appointed receivers
 - Tracing and reporting on misappropriation of funds
 - Winners and losers analysis
 - Claims management
 - Fraud analysis
- Ponzi analysis Fraud Analysis for Bankruptcy
 - Court appointed accountant by bankruptcy trustee
 - Solvency analysis
 - Fraudulent conveyance
 - Preference analysis
 - Ponzi analysis
- Business Interruption Calculation Covered by Insurance Policy
 - Engaged by insurance companies, insured's and attorneys to calculate business interruption loss



- and extra expense for a covered loss event
- Completed over 100 Business Interruption Claim Calculations and Reports
- Assisted with mediation involving business interruption calculation losses
- Fidelity Claims Loss Calculation Covered by Insurance Policy
- Forensic Accounting Services
- Investigation of fraud allegation
- Monetary loss fraud investigations
- Economic Loss Assessment
 - Economic damage quantification in breach of contract, construction delays and personal injury/death
- Business Valuations
 - Partner buy-outs
 - Medical practices
 - Franchises
 - Minority discount calculation
 - Marital dissolution
 - Gift tax returns & estate taxes
- Advanced Financial Analysis
 - Quality of Earnings
 - Financial Due Diligence
 - Net present value
 - Internal rate of return
 - Financial ratios
 - Cost of capital
 - Discounted cash flow applications
- Audit of Financial Statements
 - Audits of title company for Texas Department of Insurance
 - Audits of nonpublic companies
- Review and Compilation of Financial Statements
 - Preparation of detailed reports, professional presentations, and training
 - Detailed analysis of cash balances and other assets to discover irregularities
 - Understanding of complex financial transactions
- Tax Compliance & Special Reporting
 - Federal compliance, including corporations and foreign entities
 - Multi-state tax
 - State tax apportionment calculations
 - International compliance, including Forms 5471 and IRS amnesty programs
- Tax Research & Planning
 - Corporate reorganizations
 - Multi-state sales & use tax - audit management & support
 - State nexus rules
 - Taxation of shareholders
 - Joint ventures

PROFESSIONAL MEMBERSHIPS

- Member of American Institute of Certified Public Accountants (AICPA)
- Texas Society of Certified Public Accountants (TSCPA)
- Member of National Association of Certified Valuators and Analysts (NACVA)
- Member of Association of Certified Fraud Examiners (ACFE)
- National Association of Federal Equity Receivers (NAFER)



Carolyn Bremer, CPA

Managing Director, Advisory Department
Ahuja & Clark, PLLC
 cbremer@ahujaclark.com
 (469) 467-4660

Carolyn Bremer is the Managing Director of the Advisory Department at Ahuja & Clark, PLLC. She brings over 23 years of experience in public accounting and forensic accounting. She specializes in fraud investigations, business disputes, data analytics, and compliance consulting. She works with a wide range of clients and industries to include legal counsel, private and public companies, public sector and governmental agencies.

EDUCATION

Master of Science - Accountancy
San Diego State University, San Diego, CA

Bachelor of Arts, English and Business Administration
Louisiana State University, Baton Rouge, LA

CERTIFICATIONS

Certified Public Accountant (CPA), Texas, Virginia

PROFESSIONAL EXPERIENCE

Ahuja & Clark, PLLC	2021 - Present
Armanino LLP	2016-2020
Weaver LLP	2012-2015
MoneyGram	2012-2012
Deloitte LLP	2007-2011
Resources Global Professionals	2005-2007
KPMG LLP	2002-2005
CNA Financial Corporation	2000-2002
KPMG LLP	1998-2000

SERVICE EXPERTISE

- Business Interruption and Income Loss Calculation
 - Calculation of business income loss resulting from a covered business interruption
 - Estimation of projected business income loss for litigation purposes
 - Calculation of spoilage and extra expense coverage resulting from covered damaging events
 - Forensic analysis of client documents and correspondence with insured and insurer
 - Preparation of detailed report summarizing calculations, methodologies, and reasoning
- Fraud Investigation
 - Financial accounting fraud
 - Employee theft
 - Embezzlement
 - Vendor fraud
 - Misappropriation of assets
- Business Disputes
 - Earnout agreements
 - Contract breach



- Buy/Sell disputes
- Forensic Accounting
 - Reconstruction of financial records
 - Tracing of funds
 - Data anomaly detection
 - Claims management
 - Fraud analysis
 - Interviews
 - Email review
- Compliance
 - BSA/AML compliance
 - Transaction monitoring
 - Suspicious activity reporting (SARs)
 - Purchasing compliance
 - Vendor compliance
 - Risk management
 - Internal controls
- Data Analytics
 - Anomaly detection
 - Trend analysis
 - Fund Tracing
 - Reconciliations

PROFESSIONAL MEMBERSHIPS

- Member of American Institute of Certified Public Accountants (AICPA)
- Texas Society of Certified Public Accountants (TSCPA)
- Member of Association of Certified Fraud Examiners (ACFE)
- Society of Corporate Compliance and Ethics (SCCE)

REPRESENTATIVE PROJECTS

- **Fraudulent Claims Audits**
 - Performed audits to determine legitimacy of insurance claims for one of the largest U.S. commercial property and casualty insurance companies.
- **Restatement Audit**
 - Managed the restatement audit of a multi-billion telecommunications company emerging from bankruptcy by coordinating the audit plan and monitoring milestones across three separate U.S. locations.
 - Reviewed hundreds of leasing agreements for corresponding proper accounting treatment.
 - Drafted and reviewed hundreds of adjusting entries related to the corresponding fraud.
- **International Investigation**
 - Engaged by manufacturer of semiconductor and computer technology to perform a joint investigation at an international plant location regarding the theft of semiconductor chips and other internal control issues.
- **Bankruptcy Proceedings**
 - Worked with Trustee and SIPC through bankruptcy proceedings of the largest failed investment



bank in U.S. history.

- Managed the securities claim process, which resulted in a total customer reimbursement of billions of dollars and all securities customer claims being 100 percent fulfilled.
- **Expense Validation for Deepwater Horizon Oil Spill**
 - Analyzed data anomalies to assist in the validation of claims and to target recoveries related to a multi-billion-dollar oil spill.
 - Defined informational requirements for development of a reporting structure for various internal and external parties in the wake of the incident.
- **Vendor Contract Review**
 - Identified conflict of interest in the contract negotiation of a vendor contract for a large telecommunications company, and lack of proper monitoring on behalf of the vendor.
 - Resulted in recommendation to renegotiate the contract and a future cost savings of several million dollars.
- **Financial Services Compliance**
 - Managed a team of twenty-two analysts monitoring daily transactional data for identification of patterns/trends of suspicious activity as it relates to risks associated with BSA violations, to include money laundering, fraud, terrorist financing, and global sanctions lists.
 - Redefined rules utilized to target suspicious transactional activity resulting in increased effectiveness in SAR reporting
- **School District Investigation of Tutor Program Vendors**
 - Investigated several vendors providing tutoring services under the SES program for a Texas school district. Uncovered falsified documentation supporting fraudulent claims for services never provided. Resulted in vendor terminations, recovery of funds and guilty plea from two former tutoring company owners in federal court.
- **Investigation of School District Bond Program**
 - Performed a forensic audit of a \$388 million bond construction program for a Texas school district which included a review of over five years of construction project records and over 70 interviews with school administrators, finance personnel, and construction project managers.
 - Coordinated with both the FBI and the District Attorney's office.
- **Construction Fraud and Employee Theft**
 - Conducted a dual investigation for an investment firm around the construction of several elderly care facilities and a \$500,000 internal employee fraud.
 - Reviewed bank statements, credit card statements, and fraudulent reconciliations related to the employee fraud resulting in coordination with postal inspectors and recommendation for recovery of funds.
 - Reviewed invoice support and construction progress reports related to the elderly care facilities which resulted in litigation with the General Contractor.
- **Oil & Gas Vendor Fraud**
 - Investigated the vendor expenses related to a large pipeline project.



- Uncovered expenses for several ghost vendor employees and other falsified expenses resulted in a \$2 million recovery.
- **Earnout Dispute**
 - Performed analysis and provided support for an earnout dispute related to the sale of a family owned appliance supply business resulting in a \$1.3 million-dollar payout to the seller.
- **Investigation into School District Purchasing**
 - Provided forensic investigation services related to allegations of improper purchases by a Texas school district.
 - Resulted in over 40 investigative interviews, analysis of hundreds of documents, and review of hundreds of emails with a final report to the School Board.
- **Non-Profit Employee Embezzlement**
 - Conducted an investigation into employee embezzlement at a nonprofit organization occurring over a 10-year period and resulting in over \$700k in losses.
 - Assisted the organization with filing an insurance claim to recover losses and filed report with the local District Attorney's office.



William D. Brown

Ahuja & Clark, PLLC

wdbrown1@sbcglobal.net

(214) 770-8167

William Brown has over 40 years of forensic accounting/investigative experience which includes the FBI, a national law firm, a Big 4 accounting firm and a state agency. Mr. Brown specializes in forensic accounting, investigations, litigation support, and compliance and ethics program design and implementation.

Mr. Brown provides forensic accounting, litigation and investigative services to attorneys and their clients. Forensic accounting services include analysis of complex financial transactions or relationships and developing and providing evidentiary support for conclusions. Litigation related services include acting as both consulting and testifying expert in matters involving financial controversies, breaches of contract and fiduciary duties and allegations of fraud. Assistance to counsel includes developing effective discovery requests, analysis of complex financial information, providing findings to be used in deposing opponent's principals or experts and providing expert testimony. Clients include oil and gas industry, healthcare providers, the insurance industry, corporate security and governmental entities. His investigative reports are routinely provided to law enforcement and prosecutors in support of law enforcement actions.

As a former Special Agent for the Federal Bureau of Investigation, he has extensive experience investigating complex white-collar crime matters, including healthcare fraud, and providing expert testimony. He has lectured for FBI Agents and at various State Insurance Departments on the subjects of forensic accounting and white-collar crime investigations and has also lectured nationally on the subject of healthcare fraud and abuse. Over the course of his 40 year career, he has investigated allegations of fraud or misconduct in a number of governmental and private entities within the financial services, healthcare, energy, public education and construction industries.

Mr. Brown was the court appointed receiver in SEC v. Amerifirst Funding. As receiver, Mr. Brown identified and seized over \$49 million in assets diverted from investor funds by defendants. These assets included real estate in Texas and Honduras, bank and brokerage accounts, auto sales and finance operations, aircraft and exotic cars. Mr. Brown provided expert forensic accounting testimony in the successful criminal prosecution of the two main subjects. Over 60% of the invested funds were returned to the 545 elderly investors. He also provided forensic accounting services in support of the court appointed receiver in SEC v. Gemstar which involved a group of 23 investors with over \$23 million invested. Mr. Brown oversaw the investor claims process and the plan of distribution.

Mr. Brown previously oversaw Medicaid reimbursement and fraud investigations for a state Medicaid Agency, as a licensed attorney in a national law firm, he led the Investigations Practice Group, working on cases involving insurance company insolvency for state regulators. He also practiced in the Healthcare Regulatory Group with a Big 4 Accounting firm overseeing a number of regulatory and enforcement investigations on behalf of the firm's clients. As a forensic accounting expert, he was engaged by one of the world's largest retailers as the testifying expert in litigation where the client was accused of committing widespread fraud and violations of the civil RICO statute. The client received a directed verdict in its favor on all fraud related claims.



EDUCATION

Bachelor Degree in Accounting, 1976
Arizona State University

Juris Doctor Degree (with Distinction), 1990
University of Oklahoma

CERTIFICATIONS

Texas City Attorneys Association
 Certified Public Accountant – Texas
 Licensed Attorney, State of Texas
 American Institute of Certified Public Accountants
 Texas Society of CPAs
 Texas Bar Association
 Dallas Bar Association
 National Association of Federal Equity Receivers (Full Member)
 Society of Former Special Agents of the FBI

PROFESSIONAL EXPERIENCE

W. D. Brown & Associates	2017– Present
FTI Consulting, Inc	2015 –2017
Weaver LLP.	2005–2015
Brown & Nelson, P.C., Dallas Texas.	1996-2005
Fraud Investigations Practice, Coopers & Lybrand	1994-1996
Hankin & Co	1993-1994
Arter & Hadden	1990-1993
Law Student and Medicaid Reimbursement Consultant	1987-1990
Audit and Review Division-Oklahoma Department of Human Services	1986-1987
Fine & Brown, CPAs	1984-1985
Special Project –Finance Office for the Oklahoma Teaching Hospitals, Oklahoma City	1981–1984
Federal Bureau of Investigation	1972-1981

SERVICE EXPERTISE

- Lectures - Fraud and Forensic Accounting
 - FBI Academy (Five lectures on Insurance Insolvency Fraud, 250+ FBI agents) - September 1992 to December 1994
 - Florida Insurance Department - 1994
 - National Association of Insurance Commissioners - August 1993
 - Oklahoma Insurance Department - 1992
 - Pennsylvania Insurance Department - May 1995
 - Tennessee Insurance Department - 1993, 1994
 - Texas Insurance Department - April 1995
 - Numerous lectures at state universities on forensic accounting and fraud detection.
 - Numerous lectures to independent school districts on forensic accounting and fraud detection.
- Articles
 - “Fraud vs. The Auditor: No Contest”, Spring 2006 (Weaver Insights)
 - “War on Health Care Fraud Spreads to North Texas,” *Dallas Business Journal*, May 12, 1995.
 - “Healthcare Fraud: The Saga Continues,” *Interlocutor - A Publication of the Dallas-Fort Worth*



Hospital Council, May/June, 1995.

- “Insurance Fraud Surge Challenges the Justice System,” *Business Insurance*, February 21, 1994.
- “Investigation and Prosecution of Insurance Fraud,” *Insurance Fraud Manual*. 1992.

- Recent Significant Cases

- **United States v. Michael Herman, et al**
Performed forensic examination of schedules prepared by Internal Revenue Service and supporting bank and other financial records. Testified regarding amounts improperly included in Total gross Receipts by the IRS and Defendant’s CPA/Tax Preparer.
- **City of Fairfield, Texas**
Conducted a comprehensive examination of major accounting functions and systems in order to identify weaknesses or problems. Reported on issues identified and recommended appropriate corrective actions.
- **State Bar of Texas**
Performed a forensic examination of previously reported theft of over \$500,000 by former employee. The examination involved identifying how the theft occurred and was successfully concealed for several years. I further analyzed the effectiveness of procedural changes taken by the Bar in the aftermath of the theft. I reported my findings to the Bar’s Board of Directors.
- **Securities and Exchange Commission v. 4D Circle LLC, et al.**
Provided forensic accounting services to Court appointed receiver. Analyzed financial information relating to the business and prepared quarterly status reports for the Court, including profit and loss, balance sheet and equity. Services are ongoing.
- **Siragusa v. Rajpal, et al**
Acted as Court appointed receiver in a state court action. Took control of an online retail business during the pendency of a lawsuit. Managed the daily operations, including online sales, receiving product and shipping purchases. During the 6 months acting as receiver, turned monthly net losses into net profits.
- **Estate of Brian Loncar**
Hired by the executor of the estate to identify over \$15 million in assets diverted by family members and employees. Analyzed computerized financial records covering a 5-year period, many of the files were corrupted and had to be reconstructed. Assisted the executor in recovering estate assets.
- **Beaumont Independent School District**
Investigated allegations of fraud involving the proceeds of a \$388 million bond program by an independent school district in southeast Texas. The investigation involved the detailed analysis of over 40 construction projects, focusing on procurement practices and performance of the contractors and subcontractors. As a result of the investigation, referrals were made to the joint local and federal task force investigating the school district.
- **Plano Independent School District**
Investigated a scheme between an outside vendor and District personnel to defraud the District by submitting over \$2.7 million in bogus invoices for repairs and maintenance of the District’s fire safety system. Our investigative results were provided the FBI which prosecuted the individuals involved.



- **El Paso Independent School District**
Investigated allegations of a widespread scheme by top administrators to avoid federal and state accountability standards. The investigation involved the interview of over 150 administrators and teachers and the analysis of over 30,000 District records. As a result, the Texas Education Agency instituted procedures to revoke the teaching certifications of 55 teachers. Our investigation provided the basis for the criminal prosecution of at least 7 former District Administrators and employees. I provided expert testimony for the U.S. Department of Justice in its trial of 5 defendants.
- **Securities and Exchange Commission v. Gemstar, et al.**
Provided forensic accounting services to Court appointed receiver regarding a \$23 million estate. Identified assets belonging to the estate and traced investor funds through a series of bank accounts. Analyzed investor claims which included a number of investor groups each with its own set of investors. Assisted receiver with the Plan of Distribution and determined the amount owed each investor.
- **State of Texas v. John Franklin Howard**
Identified a \$6 million theft from an international import company by its former CFO. Traced the stolen funds through a maze of 16 bank accounts and identified real estate, charitable contributions, payments to related parties and the payment of over \$775,000 the former CFO paid to individuals to have his wife murdered. Provided testimony at the trial of former CFO for the criminal solicitation of capital murder for which he was convicted and sentenced to life in prison.
- **Securities and Exchange Commission v. AmeriFirst Funding, Inc., et al.**
Appointed Receiver by the U.S. District Court for the Northern District of Texas. Managed a \$40,000,000 estate which included four car dealerships, a portfolio of sub-prime auto loans and real estate in Texas and Honduras. The case involves over 540 investors who purchased over \$60,000,000 worth of investments from the defendants.
- **Range Resources**
Led a team of 10 investigating allegations of bribery and kickbacks paid to drilling supervisors working on \$1B drilling program in the Marsalis Shale in Pennsylvania, New York, West Virginia and Ohio. Investigation lasted 10 weeks. Confirmed allegations and reported to Company.
- **Berkley Risk Administrators of Texas v. Texas Political Subdivisions**
This was a breach of contract case involving a third-party administrator. In support of the defendant's counter-claim, we analyzed the financial reporting requirements under the administrative services agreements and the plaintiff's performance. We opined regarding the malfeasance in the performance of plaintiff. The case resulted in a multi-million dollar settlement for the defendant.
- **Guild Manufacturing, Inc. v. J. C. Penney Co**
This case was a breach of contract case involving the Electronic Trading Partner agreement between the plaintiff supplier and J. C. Penney. The plaintiff also alleged fraud, conversion, usury and included a RICO claim. We testified regarding the contract damages and the other claims. At trial, the Judge directed a verdict in favor of J. C. Penney on the RICO, fraud, conversion and usury claims. The contract claim was settled.
- **Guardsmark, Inc. v. Blue Cross & Blue Shield of Tennessee**
This was a breach of contract case involving a third-party administrator for a self-funded health and benefit plan. On behalf of the plaintiff, we analyzed the performance of the defendant under the administrative services agreement and the fees charged. The case was settled.



- **Johnson County v. Harris Methodist Affiliated Hospitals, et al**
This case involved the contract between Johnson County and Walls Regional Hospital for the provision of indigent healthcare to county residents. On behalf of the Johnson County we analyzed defendant's performance under the contract, including the eligibility determinations for over 9,000 patients. We testified as to damages and the case was settled.

- **United States v. Loes Highport, Inc. et al**
On a consulting basis, we provided an analysis the lease agreement between the United States Army Corps of Engineers and defendant. Our damage model incorporated the lease requirements with the operating information from the defendant.



Stacey Huser

Manager, Accounting Department
Ahuja & Clark, PLLC
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(469) 467-4660

Stacey Huser is the Manager of the Accounting department for Ahuja & Clark, PLLC, overseeing the forensic, audit, and general accounting areas of the practice. Stacey's background includes over 20 years of accounting experience in both public & private accounting. She assists with reviewing financial statements, asset tracing, and analysis of complex financial transactions.

EDUCATION

Bachelor of Science - Accounting
Oklahoma State University, Stillwater, OK

PROFESSIONAL EXPERIENCE

Ahuja & Clark, PLLC	2016–Present
Aly Centrifuge, Inc.	2014-2016
Quest Events, LLC	2012-2014
Ahuja & Clark, PLLC	2007-2012
Ritchie Bros. Auctioneers (America) Inc.	2002-2005
MCS	1998-2001

SERVICE EXPERTISE

- Forensic Accounting Services
 - Tracing and characterization of assets
 - Investigation of fraud allegation
 - Monetary loss fraud investigations
 - Discovery and reporting of misappropriation of funds
- Economic Loss Assessment
 - Economic damage of business interruption
 - Business Interruption Calculation Covered by Insurance Policy
- Audit of Financial Statements
 - Audits of title company for Texas Department of Insurance
 - Audits of nonpublic companies
- Review and Compilation of Financial Statements
 - Preparation of detailed reports, professional presentations, and training
 - Detailed analysis of cash balances and other assets to discover irregularities
 - Understanding of complex financial transactions
- Tax Compliance & Special Reporting
 - Multi-state tax
 - State tax apportionment calculations
- Tax Research
 - Multi-state sales & use tax
 - State nexus rules
- Audit Management & Support
 - Information document requests



- Drafting of responses to states
- Research of tax issues
- Advanced Financial Analysis
 - Net present value
 - Internal rate of return
 - Financial ratios
 - Cost of capital
 - Discounted cash flow applications
- Accounting
 - Intercompany consolidations
 - Payroll processing and reconciliations
 - Budgeting and variance analysis
 - Software implementation
 - Acquisition integrations

PROFESSIONAL MEMBERSHIPS/POSITIONS

Member of Association of Certified Fraud Examiners (ACFE)