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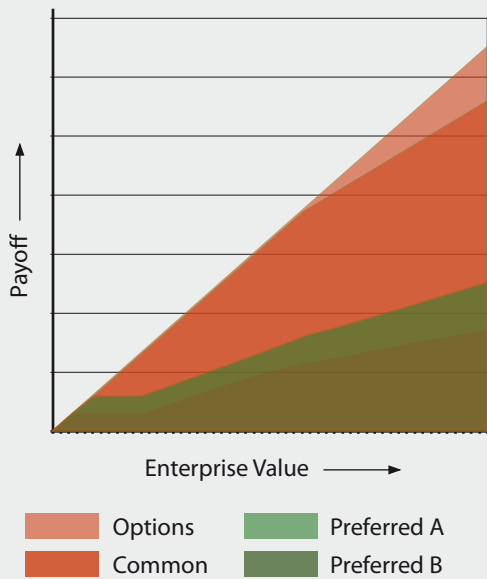
VALUATION ASSOCIATES INC.

PORTFOLIO VALUATIONS FOR PRIVATE EQUITY INVESTMENTS

Raising the Bar: Financial Reporting for Illiquid Investments

Accounting Standards Codification 820 (ASC 820, formerly FAS 157) has changed the way firms and investment partnerships must report the fair value of financial investments. Because of the complexity and variety of investments for which there is no active market, private equity firms, hedge funds, endowments and other investors often require independent valuations of these asset classes.

Business Valuation Experts for 20 Years



Wharton Valuation's mission is to provide clients with rigorous analysis and personalized service, delivering accurate and supportable results that can withstand the toughest scrutiny. Over the past 20 years, we have accumulated a wealth of experience in analyzing companies in various industries and stages of development. We can help you value your investment in accordance with industry best practices, selecting the most appropriate valuation approach with projections and assumptions based on careful analysis and market data from leading data providers.

We service the needs of:

- Corporations
- Hedge Funds
- Private Equity Funds
- Venture Capital Funds
- Endowments
- Pension Funds

Leading Analytical Skills for Complex Investments

Our team brings together academic and business professionals skilled at solving the most complex valuation problems. We are experts in complex financial models and application development, routinely building custom derivatives models to capture key aspects of our clients' investments.

Personalized service. Rigorous analysis. Independent judgment.



We can help you with:

- Developing a portfolio valuation policy that results in reliable, periodic reports for greater transparency and confidence.
- Valuing investment interests ranging from common stock to complex derivatives.
- Risk management – gaining insight into the sensitivity of investment value to changes in market conditions.

Our team has expertise in valuing a variety of traditional and alternative investments including:

Equity Investments

- *Common equity*
- *Preferred equity*
- *Investment partnerships*
- *Investments that are part of a complex capital structure*

Debt Investments

- *Secured and unsecured debt*
- *Distressed debt*
- *Senior and subordinated debt*
- *Leveraged loans*
- *Convertible bonds*

Derivatives and Investments with Embedded Options

- *Warrants and other equity options*
- *Options on commodities and fixed income investments*
 - *Bond options*
 - *Caps, floors, swaptions*
- *Convertible securities*
- *Bonds with call and put provisions*
- *Highly levered equity, where the equity resembles an option on the value of the firm's assets*

About Wharton Valuation Associates

Established in 1990, Wharton Valuation Associates, Inc. is a financial consulting firm specializing in the analysis and valuation of business interests. We deliver individualized service and solutions to assist clients with a wide range of planning and transactional needs including tax compliance, financial reporting, ESOPs, and corporate finance transactions. Our team is comprised of seasoned experts skilled at the art and science of performing valuation. We have successfully defended our work before the IRS, the SEC, and the Department of Labor, as well as in testimony in federal and state courts and mediation and arbitration proceedings. This depth of experience is appreciated by many leading attorneys, accountants, bankers, and other professional advisors nationwide who refer their most complex valuation problems to us.