

ADORIA LIM

Global Practice Leader, Accounting Practice
Managing Director, San Francisco Office

San Francisco, CA

+1.415.217.1064

Adoria.Lim@brattle.com

Ms. Adoria Lim is the head of Brattle’s Accounting Practice and its San Francisco office. She is a Certified Public Accountant (CPA) with two decades of experience in accounting and finance at a Big 4 accounting firm, a Fortune 500 publicly-traded company, and as a consultant. Ms. Lim is also a Certified Fraud Examiner (CFE), Certified in Financial Forensics (CFF), and Accredited in Business Valuation (ABV). She focuses on matters that involve accounting, auditing, finance, damages, and fraud.

Ms. Lim has directed research involving the evaluation of accounting and disclosures with regard to Generally Accepted Accounting Principles (GAAP), the evaluation of audit and review procedures with regard to Generally Accepted Auditing Standards (GAAS), the evaluation of the adequacy of internal controls over financial reporting (ICFR), and the appropriateness of cost accounting allocations.

Ms. Lim’s expertise includes forensic accounting analysis; the preparation of pro forma and carve-out financial statements; profitability analysis, including estimates of “but for” revenues, costs, and profits; valuation; and loss causation and damages analyses. She has reconstructed financial records, traced transactions through accounting systems, reviewed payment and cash flow information, and determined liquidity and equity positions.

Ms. Lim has directed research in SEC, DOJ, and PCAOB investigations and enforcement actions; tax disputes with the IRS; auditor malpractice suits; securities class actions; breach of contract matters; purchase price disputes; and intellectual property disputes. Her clients have included the SEC, the DOJ, Cisco, Halliburton, LG Philips, Vivendi, and Big 4 accounting firms.

Prior to joining The Brattle Group, Ms. Lim was a Principal at Corporate Diligence Specialists LLC (CDS), where she directed financial and accounting diligence related to mergers and acquisitions for private equity funds, investors, and lenders. Prior to CDS, Ms. Lim was a Principal at Cornerstone Research, where she directed research on behalf of clients in complex litigation.

EDUCATION

- M.B.A., Stanford University
- B.A., Economics, University of California, Los Angeles (UCLA)

ACADEMIC HONORS

University of California, Los Angeles

- Regents Scholar
- Summa Cum Laude
- Phi Beta Kappa
- Golden Key Honor Society

CERTIFICATIONS

- Certified Public Accountant (CPA)
- Certified Fraud Examiner (CFE)
- Certified in Financial Forensics (CFF)
- Accredited in Business Valuation (ABV)

AREAS OF EXPERTISE

- Financial Accounting and Reporting
- Internal Controls over Financial Reporting
- Auditing
- Forensic Accounting
- Fraud
- Mergers & Acquisitions
- Valuation
- Managerial and Cost Accounting
- Profitability Analysis
- Tax Controversy
- General Damages

PUBLICATIONS

“Coronavirus (COVID-19) May Bring Litigation Fever,” with Jack Turner, published by *Wolters Kluwer*, 2020.

“The Do’s and (Mostly) Don’ts of Non-GAAP Measures,” with Chi Cheng, published by *Law360*, 2017.

“Due Diligence is the Mother of Good Luck,” published by *Financier Worldwide*, 2016.

“How Principles-Based Accounting Standards Impact Litigation,” with Chi Cheng, published by *Law360*, 2016.

“Non-GAAP Measures: The SEC Awakens,” published by the Securities Litigation Section of the American Bar Association, *Practice Points*, 2015.

“The Unaccounted Cost of Accounting-Sounding Terms in Purchase Agreements,” with Yvette Austin Smith, published by *Financier Worldwide*, 2015.

“What Makes Securities Class Actions with Accounting Allegations Different,” with Elaine Harwood and Laura Simmons, published by American Bar Association, 2011.

LECTURES

Panelist, “Preparing for SEC’s Financial Fraud Probes: What Companies Need to Know LIVE Webcast,” presented by The Knowledge Group, 2019.

Panelist, “Accounting Fraud & SEC Investigations: What Lies Ahead in 2017 & Beyond LIVE Webcast,” presented by The Knowledge Group, 2017.

Panelist, “SEC Revised Compliance and Disclosure Interpretations (C&DIs): Time to Rethink Your Firm’s Current Non-GAAP Measures LIVE Webcast,” presented by The Knowledge Group, 2016.

Panelist, “Class Action Settlements: Trends, Lessons Learned, and Creative New Approaches,” 3rd Annual Western Regional CLE Program on Class Actions and Mass Torts, presented by the ABA Section of Litigation CADS Committee and The Bar Association of San Francisco, 2016.

Guest lectures: Princeton University (2016, 2017); University of Southern California (USC), Leventhal School of Accounting (2016, 2017); University of California at San Diego (UCSD), Rady School of Management (2015); New York University (NYU), Stern School of Business (2010, 2011).

SELECTED LITIGATION EXPERIENCE

Financial Accounting and Reporting, Internal Controls, and Auditing

- Directed research, as a testifying expert, in a dispute between a power plant and one of its power purchasers. Analyzed accounting for a litigation settlement between the power plant and one of its vendors. Attorneys: Sutherland Asbill & Brennan.
- Directed research for the SEC in an investigation of a public company's purchase price allocation related to an acquisition and subsequent accounting for goodwill.
- Directed research for Ernst & Young LLP which was accused of failing to meet audit standards in its audit of Lehman Brothers. Analyzed accounting and auditing issues. Analyzed investment banking practices, including financing and liquidity arrangements such as repurchase agreements. Attorneys: Latham & Watkins.
- Directed research for executives of Qwest (now CenturyLink) who were charged by the SEC for accounting fraud. Analyzed lease accounting, revenue recognition, and internal controls over financial reporting in the context of swaps, exchanges, and multi-element arrangements. Attorneys: Clifford Chance; Steese, Evans & Frankel.
- Directed research for Alstom which was accused of accounting fraud. Analyzed percentage-of-completion accounting, consolidation of special purpose entities, and accounting and disclosure of loan guarantees. Attorneys: Hughes Hubbard & Reed.
- Directed research for Scientific Atlanta (now part of Cisco) which was accused of accounting fraud. Analyzed disclosure of material adverse trends, revenue recognition, and internal controls with regard to collectability and delivery obligations. Attorneys: Winston & Strawn.
- Directed research for Cisco which was accused of accounting fraud. Analyzed reserves for inventory, loans, and product returns; revenue recognition in the context of vendor financing; and accounting for loan guarantees. Attorneys: Winston & Strawn.

SELECTED LITIGATION EXPERIENCE (continued)

Forensic Accounting, Fraud

- Directed research, as a testifying expert, for the DOJ with regard to an alleged false invoicing scheme perpetrated by taxpayers to reduce taxes. Analyzed thousands of source documents, including invoices, purchase orders, and bank statements, to reconstruct supply chain paper trail and cash flows.
- Directed research, as a testifying expert, for plaintiffs in a class action alleging price fixing amongst manufacturers of canned tuna (Bumble Bee, StarKist, and Chicken of the Sea). Analyzed relationships between parent companies and their subsidiaries, including control; transfers of economic benefits from subsidiaries to parent companies; and the impact of dividends, a stock repurchase, and leverage on companies' assets, earnings, and financial health. Attorneys: Wolf Haldenstein.
- Directed research, as a testifying expert, for a real estate developer accused of claiming excess local governmental subsidies. Analyzed developer's expenses and claims. Attorneys: Morrison & Foerster.
- Directed research for investor in an alleged Ponzi scheme. Reviewed bank statements and accounting records to analyze roundtrip transactions conducted by related parties used to mask Ponzi scheme. Attorneys: Schindler Cohen & Hochman.
- Directed research for Vivendi related to the company's sudden credit default. Analyzed the company's treasury management practices, liquidity, and cash transfers among subsidiaries and the parent company. Attorneys: Cravath, Swaine & Moore.
- Directed research for AOL Time Warner which was accused of improper revenue recognition. Reviewed thousands of pages of documents, including emails, voicemails, purchase orders, invoices, contracts, and audit workpapers, as well as reconstructed accounting and payment records, for approximately one hundred sales transactions related to the company's simultaneous other transactions with the same customers, including equity investments and purchases from customers. Attorneys: Cravath, Swaine & Moore.

SELECTED LITIGATION EXPERIENCE (continued)

Mergers & Acquisitions, Valuation

- Directed research, as a testifying expert, for the acquirer in an M&A transaction. Analyzed the valuation framework, the use of multiples, the meaning of EBITDA, and customary adjustments to EBITDA. Attorneys: King & Spalding.
- Directed research, as a testifying expert, for a private equity firm accused of selling a company whose financial statements violated accounting standards. Analyzed the acquired company's accounting for fixed assets, internal controls over same, EBITDA calculations, and damages to the acquirer. Attorneys: Paul Weiss Rifkind Wharton & Garrison.
- Directed research for the DOJ in its investigation of the potential merger between Aetna and CVS. Analyzed potential cost synergies.
- Directed research for a venture capital firm who accused the seller of an acquired company of accounting fraud. Analyzed the acquired company's internal controls and revenue recognition. Computed alternative purchase price had the acquired company used cash accounting instead of accrual accounting. Attorneys: Wilson Sonsini Goodrich & Rosati.
- Directed research for an international corporation that had acquired another company. Analyzed whether the acquired company's foreign transaction gains and losses should be included in the computation of an earn-out provision in accordance with the securities purchase agreement. Attorneys: Sidley Austin.
- Directed research for a national video rental chain as to whether recent changes in industry and market conditions on the company's future revenues, margins, profits, and potential debt ratings resulted in a material adverse change (MAC) with regard to a leveraged buy-out of the company. Attorneys: Gibson, Dunn & Crutcher.
- Directed research for Cisco which was accused of improperly acquiring a start-up. Analyzed the start-up's likelihood of obtaining investment or acquisition from third parties, and the start-up's valuation. Attorneys: Winston & Strawn.

SELECTED LITIGATION EXPERIENCE (continued)

Pro Forma/Carve-Out Analysis, Profitability Analyses, Cost Accounting

- Directed research, as the testifying expert, for the Government of India. Analyzed the application of cost allocation principles to common costs incurred for multiple development areas in an Oil & Gas production sharing contract. Attorneys: RS Prabhu.
- Directed research for the shareholders of a bankrupt savings bank who accused the U.S. government of wrongly shutting it down. Constructed carve-out pro forma financial statements to determine the profits of a bank division. Attorneys: Winston & Strawn.
- Directed research for Amazon.com which was accused by the IRS of allocating insufficient costs from its domestic operations to its foreign operations in the context of an intangible property cost sharing agreement. Analyzed the company's cost accounting, common costs, and the company's allocation of intangible property development costs. Attorneys: Skadden, Arps, Slate, Meagher & Flom; and Bingham McCutchen.
- Directed research for a real estate marketing agency accused of violating antitrust regulations regarding horizontal integration. Analyzed the stand-alone revenues, and allocated costs and profits of the agency's business segments to determine if any such segments were viable as stand-alone businesses.
- Directed research for Halliburton which was under investigation by the DOJ for bribes paid to foreign officials to obtain construction contracts in Nigeria, a violation of the Foreign Corrupt Practices Act. Analyzed revenues, allocated costs (including cost of capital), profits, and cash flows from ill-gotten gains. Attorneys: Baker Botts.

Tax Controversy

- Directed research for sellers of an investment management company in dispute with the IRS as to the amount of sales proceeds that should be treated as a capital gain or as ordinary income. Analyzed consolidation and control. Attorneys: McDermott Will & Emery.

- Directed research for an international publisher and distributor of video games. Analyzed the valuation of intangible property transferred from domestic to foreign operations.
- Directed research for banking institutions accused by the IRS of engaging in certain financing transactions solely for the purpose of reducing U.S. federal tax obligations. Analyzed profits generated by the transactions in question and contemporaneous financing alternatives and their costs/benefits. Attorneys: Bingham McCutchen.

General Damages

- Directed research, as a testifying expert, for the majority shareholder in the valuation of a minority interest, shareholder damages due to delays in shareholder distributions, and prejudgment interest. Attorneys: Paul, Weiss, Rifkind, Wharton & Garrison LLP.
- Directed research, as a testifying expert, for SoundExchange on the quantum of copyright royalties owed by a provider of digital sound recordings. Attorneys: Jenner & Block.
- Directed research, as a testifying expert, for plaintiffs in a class action against Blue Shield of California which was accused of inappropriately failing to reimburse qualifying claims. Analyzed insurer's avoided costs. Attorneys: Grant & Eisenhofer; and Zuckerman Spaeder.
- Directed research for Diageo, an international beverage producer and distributor, related to allegations of trademark confusion. Examined issues of causation and disgorgement under the Lanham Act. Attorneys: Proskauer Rose.
- Directed research for a Big 4 accounting firm accused of failing to meet audit standards in its audit of a failed credit card bank. Analyzed the company's losses caused by the alleged audit failure and how, if any, changes in the audit firm's behavior could have reduced that loss. Attorneys: Latham & Watkins.
- Directed research for a manufacturer of solar panels accused by a supplier of purchasing insufficient quantities in violation of a supply contract. Analyzed damages to the supplier, including lost revenues, costs, and contribution margin, and changes to those measures resulting from reduced economies of scale. Attorneys: Sidley Austin.

EXPERT REPORTS AND PRIOR TESTIMONY

- *Proposed Debarment of Mr. Wallace Haislip and Mr. Julian Eidson*. Report, 2009, on behalf of defendants. Accounting for marketing support agreements. Attorneys: Gibson Dunn.
- *Benchmark Institute Fiscal Monitoring*. Report, 2012, on behalf of monitoring entity. Maintenance of accounting records and internal controls. Attorneys: Winston & Strawn.
- *South Mississippi Electric Power Association v. Plum Point Energy Associates, LLC*. Report, deposition, and arbitration hearing, 2016, on behalf of plaintiff. Accounting treatment and audit of a litigation settlement (GAAP and GAAS). Attorneys: Sutherland Asbill & Brennan.
- *Crestview DSW Investors, L.P. v. Cott Corporation*. Reports, 2017, on behalf of defendant. Accounting for business combinations and fixed assets, asset write-downs, valuation of a privately-held company, adjusted EBITDA, internal controls, and damages. Attorneys: Paul, Weiss, Rifkind, Wharton & Garrison LLP.
- *Charles Des Roches, et al. v. California Physicians' Service d/b/a Blue Shield of California, et al.* Report and deposition, 2017, on behalf of plaintiffs. Calculation of costs avoided by health insurer by denying claims. Attorneys: Grant & Eisenhofer; and Zuckerman Spaeder.
- *SoundExchange, Inc. v. Muzak LLC*. Report and deposition, 2019, on behalf of plaintiff. Calculation of underpayment of copyright royalties. Attorneys: Jenner & Block.
- *In Re: Packaged Seafood Products Antitrust Litigation*. Reports and depositions, 2019, 2022, and 2023, on behalf of plaintiffs. Relationships between parent companies and their subsidiaries, including control; transfers of economic benefits from subsidiaries to their parent companies; the impact of dividends and a stock repurchase on a company's assets and earnings; and the impact of a leveraged buyout on a company's leverage, earnings, and financial health. Attorneys: Wolf Haldenstein.
- *Oliver Luck v. Vincent K. McMahon and Alpha Entertainment LLC*. Report and deposition, 2021, on behalf of plaintiff. Quantum of lost compensation and the materiality of a business decision. Attorneys: Shipman & Goodwin; and Dubrowski, Larkin & Stafford.

- *Agro Merchants LATAM Holdings S.à r.l. v. Agrofundos Brasil II Fundo de Investimento em Participações, AGF Latin America LP, Leiden PE LP, and Mid-Market LAIF LP.* Reports, 2021 and 2022, on behalf of plaintiff. Principles of valuation, the use of multiples, the meaning of EBITDA, and customary adjustments to EBITDA in an M&A transaction. Attorneys: King & Spalding.
- *Nancy Lazar v. Edward S. Hyman and ISI Holding, Inc.,* Reports and deposition, 2021, on behalf of defendants. Valuation of a minority interest, shareholder damages due to delays in shareholder distributions, and calculation of prejudgment interest. Attorneys: Paul, Weiss, Rifkind, Wharton & Garrison LLP.
- *Vedanta Limited and Cairn Energy Hydrocarbons Limited v. The Government of India.* Reports and arbitration hearing, 2022, on behalf of defendant. Application of cost allocation principles to common costs incurred for multiple development areas in an Oil & Gas production sharing contract.
- *United States of America v. Francis Burga and Francis Burga as the Administrator of the Estate of Margelus Burga.* Report and deposition, 2023, on behalf of plaintiff (DOJ). Analysis of supply chain activities and cash flows related to an alleged false invoicing scheme perpetrated by taxpayers to reduce taxes.
- *City of Atlanta Policy Officers' Pension Plan, et al. v. Celsius Holdings, Inc. et al.* Report, 2023, on behalf of plaintiffs. Accounting for a company's modifications of shared-based compensation.