

CHRIS M. MELLEN

ASA, MCBA, ICVS, ABAR, CM&AA

DELPHI VALUATION ADVISORS, INC.

An Independent Member of American Business Appraisers National Network

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Norwood, Massachusetts 02062-4659

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Web Site: www.delphivaluation.com

STATEMENT OF QUALIFICATIONS

PROFESSIONAL EXPERIENCE

(Latest position held)

Extensive experience over 24 years completing over 2,500 engagements relating to the valuation of closely held businesses, pass-through entities, professional practices, and intangible assets. Currently serving and have served on several valuation-related committees, including having served as Managing Director of American Business Appraisers National Network, Governor of the Northeast Region for the Institute of Business Appraisers and as President of the Boston Chapter of the American Society of Appraisers. Co-author of the book, *Valuation for M&A: Building Value in Private Companies*, 2nd edition, published by John Wiley & Sons, Inc. Co-recipient of the 2010AM&AA Middle Market Thought Leader of the Year Award, in recognition of writing this book.

2000-present

Delphi Valuation Advisors, Inc., an Independent Member of American Business Appraisers National Network - President

1996-2000

Tofias, P.C. - Principal-in-Charge, Valuation Services

1992-1996

KPMG LLP - Director, Appraisal/Valuation Services

1989-1992

Valuation Counselors, Inc. - Business Valuation Consultant

1985-1989

State Street Bank and Trust Company - Mutual Fund Account Manager

PROFESSIONAL DESIGNATIONS

Accredited Senior Appraiser (ASA), Business Valuation, 1995 and Intangible Assets, 2011. Designations awarded by the American Society of Appraisers. The American Society of Appraisers has a mandatory recertification program for all ASAs every five years; recertified through August 2015.

Master Certified Business Appraiser (MCBA), 1996. Designation awarded by The Institute of Business Appraisers, Inc. The Institute of Business Appraisers has a mandatory recertification program for all MCBAs every two years; recertified through December 2013.

International Certified Valuation Specialist (ICVS), 2013. Designation awarded by the National Association of Certified Valuators and Analysts.

Accredited in Business Appraisal Review (ABAR), 2010. Designation awarded by The Institute of Business Appraisers, Inc. The Institute of Business Appraisers has a mandatory recertification program for all ABARs every two years; recertified through December 2013.

Certified Merger & Acquisition Advisor (CM&AA), 2004. Designation awarded by the Alliance of Merger and Acquisition Advisors.

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ACADEMIC CREDENTIALS
1987-1990

Babson College - Wellesley, Massachusetts
Master of Business Administration - Concentration in Finance

1981-1985

McGill University - Montréal, Québec, Canada
Bachelor of Arts - Concentrations in Industrial Relations and Economics

PUBLISHED BOOK

Co-authored, with Frank C. Evans, the book - Valuation for M&A: Building Value in Private Companies, 2nd edition - published by John Wiley & Sons, Inc. in 2010. This is a 383-page, 20-chapter book that provides the tools necessary to determine what a company's value is, what drives its value, and how to enhance that value during an M&A transaction. In doing so, it lays out the steps for measuring and managing value creation in privately held businesses.

Co-recipient of the 2010 AM&AA Middle Market Thought Leader of the Year Award, in recognition of writing this book. This award is designed to honor individuals who have made significant contributions to the middle market M&A advisory profession through the publication of works that promote research, higher standards of excellence, and professional competence.

VALUATION EDUCATION

A total of over 1,700 valuation-related Continuing Professional Education (CPE) credit hours in specialized courses, seminars, and conferences sponsored by the Alliance of Merger and Acquisition Advisors (AM&AA), American Business Appraisers (ABA), the American Institute of Certified Public Accountants (AICPA), the Association of Investment Management Research (AIMR), the American Society of Appraisers (ASA), The Institute of Business Appraisers, Inc. (IBA), and the National Association of Certified Valuators and Analysts (NACVA), among others:

ABA - National Conferences, 2000-2013, 250 credit hours
AICPA - Business Valuation National Conference, 2002, 15.5 credit hours
AITF - Appraisal Issues Task Force Meetings, 2003-2013, 34 meetings, 272 credit hours
AM&AA - Certified in Mergers & Acquisitions certification program, 2004, 42 credit hours
AM&AA - National Conferences, 2010-2011, 21 credit hours
ASA - Advanced Business Valuation Conferences, 15 since 1996, 269 credit hours
ASA - Business Valuation Levels I through IV, 1991-1994, 125 credit hours
ASA - ESOP Valuation Course, 2002, 14 credit hours
ASA - Instructor Training, 1999, 7 credit hours
ASA - Uniform Standards of Professional Appraisal Practice, 1995 & 2000, 30 credit hours
CFA Institute - Chartered Financial Analyst, passed Level I exam in 1994, 80 credit hours
IACVA and China Appraisal Society joint conference in Xi'an, China, 12 credit hours
IBA - Accredited in Business Appraisal Review certification program, 2010, 26 credit hours
IBA - Litigation Support and Expert Witness Training, 2000, 40 credit hours
IBA - National Conferences, attended 10 between 2000 and 2009, 187 credit hours
IBA - Valuing Mid-Sized and Smaller Businesses, 1996, 16 credit hours
NACVA - National Conferences, attended two between 2010 and 2013, 42 credit hours
Specialized seminars in valuation discounts, tax-related valuation issues, litigation support, health care valuations, intangible asset valuations, technology valuations, marketing valuation services, and discount and capitalization rates, 316.8 credit hours

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VALUATION COMMITTEE POSITIONS HELD
2003-present

Member - Appraisal Issues Task Force.

2002-present

Editorial Board - Business Appraisal Practice.

2006-2011

Board Member - Ambus Appraisers, LLC d/b/a American Business Appraisers
Network (six years). Managing Director (two years), 2010-2011.

2000-2008

Instructor - The Institute of Business Appraisers, Inc.

2000-2008

Boston Chapter Officer - American Society of Appraisers (Business Valuation Chairman 2003-2008,
President 2002-03, Treasurer 2001-02, Secretary 2000-01).

2003-2008

Governor, Northeast Region (New England, New York and Eastern Canada) - The Institute of
Business Appraisers, Inc.

1998-2004

Qualifications Review Committee - The Institute of Business Appraisers, Inc.

1996-2000

National Chairman of the Business Valuation Committee - BKR International, serving 33
accounting and consulting firms across the United States.

National

EXPERT WITNESS TESTIMONY

Completed approximately 200 valuation assignments in connection with litigation matters. Qualified
as an expert
witness in business valuation at:

Suffolk County Superior Court - Boston, MA, 2006, shareholder dispute, bench trial.
Middlesex County Probate Court - Cambridge, MA, 2004 and 2005, marital dissolutions, bench trials.
Bureau of Relocation - Boston, MA, 2004, relocation claim hearing.
Barnstable County Probate Court - Barnstable, MA, 2001 and 2004, marital dissolutions, bench trials.
Providence County Family Court - Providence, RI, 2000, marital dissolution, bench trial.
Suffolk County Probate Court - Boston, MA, 1997, marital dissolution, bench trial.

VALUATION COURSES TAUGHT

Co-authored a three-day course - "Valuation of Intangible Assets for Financial Reporting Purposes"
- for the
American Society of Appraisers in 2007, as part of a team of four intangible asset valuation experts.
Have taught the following 11 one- to four-day courses as an instructor for the Institute of Business Appraisers:

- "Your Appraisal' s Journey to Excellence"
- "Valuing Intangibles"
- "Case Studies in Small and Mid-Size Business Appraisal"
- "Mastering Appraisal Skills for Valuing the Closely Held Business"
- "Guideline Public Company Method and Multiple Period Discounting Method"
- "Litigation Support and the Business Appraiser"
- "Report Writing, Review and Analysis"
- "Application of the Market Approach"
- "10 Steps to Take Your Appraisals from Ordinary to Outstanding"
- "More Steps in Your Appraisal' s Journey from Ordinary to Outstanding"
- "Fundamentals of Business Appraisal"

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VALUATION SPEAKING ENGAGEMENTS

“International Valuation,” Southeast Chapter of Business Appraisers’ 14th Annual Southeast Regional Conference, Atlanta GA, September 2013.

“Developing an Exit Plan: How to Realize the Value of Your Law Practice” (co-presented), Suffolk University Law School, Boston MA, September 2013.

“Valuations for Each Exit Option & Why They Vary,” 2-Day Exit Strategies Training Workshop sponsored by Pinnacle Equity Solutions, Boston MA, 2-3 seminars per year between 2008 and 2013.

“Valuation Inaccuracies and What To Do About Them” (co-presented), Exit Planning Exchange (XPX) Summit Conference, Waltham MA, May 2013.

“The Facilitated Buy-Sell Agreement” (co-presented), Exit Planning Exchange (XPX) Summit Conference, Wellesley MA, May 2012.

“Business Valuation Primer for CPAs,” Merrill Lynch Wealth Management, Dedham MA, May 2012.

“Valuing Your Business for Sale or Succession,” International Association of Medical Equipment Remarketers and Servicers (IAMERS) Annual Conference, Washington DC, April 2012.

“Client Exit Strategies and Their Impact on Business Value,” CPA Leadership, Webinar, October 2011.

“Valuation for M&A Transactions,” CPA Leadership, Webinar, September 2011.

“Valuation for Mergers & Acquisitions,” Indigo Ventures, Webinar, August 2011.

“Valuation for M&A: Building Value in Private Companies,” Half-Day Pre-Conference Seminar co-presented at the AM&AA Summer Conference, Chicago IL, July 2011.

“Business Valuation: Estate Planning vs. Building Value,” Boston Estate Planning Council, Boston MA, December 2010.

“Building Value in Private Companies,” XPX Breakfast Seminar, Wellesley MA, December 2010.

“Current Issues in Fair Value – Contributory Asset Charges,” American Society of Appraisers – 2010 Advanced Business Valuation Conference, Miami FL, October 2010.

“ESOPs as Ownership Transition Vehicles” (co-presented), Exit Planning Exchange (XPX) Summit Conference, Wellesley MA, March 2010.

“In-Process Research & Development, Patents, and Negotiating Royalty Rates” (Moderator for Panel Presentation), American Society of Appraisers – 2009 Advanced Business Valuation Conference, Boston MA, October 2009.

“Fair Value Accounting in Unfair Times,” Institute of Management Accountants, Boston/Worcester Collaborative Chapters, Shrewsbury MA, April 2009.

“Valuations for Each Exit Option & Why They Vary,” 2-Day Exit Strategies Training Workshop sponsored by Pinnacle Equity Solutions, Las Vegas NV, March 2009.

“Common Problems in Valuing Intangible Assets,” Financial Consulting Group Conference, Las Vegas NV, November 2008.

“Fair Value Accounting,” Rhode Island Society of CPAs, Providence RI, October 2008.

“Process of Valuing a Company,” Pinnacle Equity Solutions spotlight guest call, October 2008.

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“Fair Value Accounting,” Institute of Business Appraisers – 2008 Business Valuation Symposium, Chicago IL, June 2008.

“Tax-Related Valuations and Family Limited Partnerships,” Boston Bar Association, Boston MA, March 2008.

“Overview of the SFAS No. 123(R) and IRC Section 409A Valuation Process,” Mirick O’Connell Sponsored 409A Seminar, Worcester MA, September 2007.

“Business Valuation – A Primer for ESOP Companies and their Advisors,” Raymond James Financial/Beacon Hill Equity Group Sponsored ESOP Seminar, Newton MA, September 2007 and June 2006.

“Valuing to Buy or Sell a Business,” Boston College Small Business Development Center, Chestnut Hill MA, have taught six four-hour seminars, November 1999-2003, and April 2007.

“Valuing Family Limited Partnerships,” Boston Estate Planning and Probate Forum, Boston MA, February 2007.

“Rounding-up the Value of Technology-based Intangibles,” Licensing Executives Society – 2006 Annual Meeting, New York NY, September 2006.

“Valuing Intangible Assets,” Institute of Business Appraisers – 2006 Business Valuation Symposium, St. Louis MO, June 2006.

“Valuing the FLP/FLLC for Tax Purposes,” New Mexico Estate Planning Institute, Las Cruces NM, November 2005.

“Business Valuation: A Complex and Dynamic Process,” Northern Essex Community College, Haverhill MA, May 2005.

“Why Two Experts May Have Different Values and What to Do About That,” Suffolk University Law School Center for Advanced Legal Studies, Boston MA, co-presented, May 2005.

“Business Valuation and its Impact on High Net Worth Individuals,” Boston Estate Planning Council, Weston MA, February 2005.

“FASB 142 Valuation Report and Recent Developments in Valuation for Financial Reporting,” Institute of Business Appraisers – 2004 National Conference, Las Vegas NV, June 2004.

“Business Valuation – A Primer for Corporate, Tax, and Litigating Attorneys,” Massachusetts Continuing Legal Education (MCLE), Boston MA, May 2004 and June 2003.

“Appraising FLPs and Family LLCs,” Massachusetts Society of Certified Public Accountants, Boston MA, December 2003.

“Business Valuation – A Primer for Real Estate Appraisers,” Massachusetts Board of Real Estate Appraisers Expo, Dedham MA, November 2003.

“The FASB 142 Valuation Report,” American Society of Appraisers – 2003 Advanced Business Valuation Conference, Chicago IL, October 2003.

“Valuation of Intangibles in a Distressed Company Situation,” Panel Discussion on Valuation Issues for Distressed Companies, Turnaround Management Association, Boston MA, June 2003.

“Tips from the Qualifications Review Committee on Demonstration Reports,” Institute of Business Appraisers – 2003 National Conference, Orlando FL, June 2003.

“Distribution Strategies for Partnerships, S Corporations, and Closely Held Corporations in Massachusetts – Valuation Segment,” Lorman Education Services, Peabody MA, May 2003.

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“Business Combinations and Goodwill Impairment,” Institute of Certified Business Counselors – 2002 National Conference, Boston MA, September 2002.

“The Income Approach – Back to the Not-So-Basics,” Institute of Business Appraisers – 2002 National Conference, Washington DC, May 2002.

“Valuation Aspects of FASB Statement Nos. 141 and 142,” American Society of Appraisers – Boston Chapter, Walpole MA, March 2002.

“The Valuation Course: Establishing Rates of Return for Successful Deals,” Fulcrum Information Services, New York NY, May 2001.

“Determining Discounts on FLPs/LLCs,” Institute of Business Appraisers National Conference mentor round table, Orlando FL, May 2001.

“Employee Stock Options: What Are They and How Do We Value Them?” American Business Appraisers National Conference, San Diego CA, January 2001.

“Improving and Advancing Your Valuation Practice,” BKR International Americas Regional Conference, Cancun MX, May 2000.

“Valuing Technology Companies,” American Business Appraisers National Conference, Phoenix AZ, May 2000.

“Insurance Strategies and Valuation Issues for Private Company Owners,” FleetBoston Private Company Workshop, Boston MA, March 2000.

“Valuation and the Business Life Cycle of Technology Companies,” North Shore Technology Association, Newburyport MA, February 2000.

“Valuing Intellectual Property,” Developing a Corporate Intellectual Property Protection Strategy Seminar, Waltham MA, November 1999.

“Marketing Valuation Services,” BKR International Americas Regional Conference, Palm Beach FL, June 1999.

“Valuation Discounts and Premiums,” BKR International Americas Regional Conference, Palm Beach FL, June 1999.

“Valuation Methodologies,” BKR International Worldwide Conference, Montréal QC, October 1998.

“Selection and Utilization of Valuation Experts in Shareholder Disputes,” Massachusetts Continuing Legal Education (MCLE), Boston MA, January 1998.

“Understanding the Business Valuation Process,” Northeastern University Center for Family Business, Weston MA, July 1997.

“The Valuation Process,” BKR International Americas Conference, Nashville TN, May 1997. Invited as a guest speaker on business valuation at various MBA level finance courses at Babson College and Suffolk University. Also led approximately 30 one-hour seminars at accounting firms, banks and law firms, three four-hour internal valuation seminars at Tofias, P.C., and two one-hour internal valuation seminars at KPMG.

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VALUATION PUBLICATIONS

“Incorporating ASC 805 (SFAS 141(R)) into the Due Diligence Process,” Business Valuation Update, December 2010.

“Balancing Act” (an article on valuation in distressed times), The Deal.com, March 2009.

“Preparing for and Conducting a Business Valuation,” Financial Executive, November 2007.

“Developments in Valuation for Financial Reporting Purposes,” Valuation Strategies, May 2005.

“IRS Challenges to FLPs and Family LLCs,” Business Valuation Update, October 2003.

“Differences in Opinion,” Business Appraisal Practice, Summer 2003.

“New Goodwill Measures You Should Know About,” Boston Business Journal, November 2002.

“Income Approach in Practice: Where Do We Stand?” Business Appraisal Practice, Fall 2002.

“Determining How Much Your Architecture Practice is Worth,” Boston Business Journal, September 1999. This article was also initially published ArchitectureBoston, Summer 1999.

“Putting a Value on Your Coatings Company,” Coatings World, June 1996.

“Valuing the Family Business,” Family Business Quarterly, Spring 1996.

“Practice Intangibles: What Are They Worth?” Physician’s News Digest, July 1995.

“Discount Rates and Minority, Marketable Value: A Perspective,” M&Adviser, Fall 1993.

“Valuing a Long-Term Care Facility,” Healthcare Financial Management, October 1992.

Also was a technical reviewer in 2001 for the second edition of Understanding Business Valuation: A Practical Guide to Valuing Small to Medium-Sized Businesses by Gary R. Trugman.

INTERNAL VALUATION PUBLICATIONS – THE VALUATION E-COLUMN

“What to Expect During the Business Valuation Process”

“Defining the Scope of a Valuation Engagement”

“Appraising Business Appraisal Designations”

“How Much Should a Business Appraisal Cost?”

“The EBIT and EBITDA Multiples”

“Public Comparables for Private Companies”

“Challenges to FLPs and Family LLCs”

“Are S Corporations Worth More Than C Corporations?”

“Exit Planning – Transitioning Out of Your Business”

“Private Company Stock Option Valuation: IRC Section 409A”

“Premises of Value”

“What is Cash Flow?”

“Stock vs. Asset Sales”

“The Standards of Value”

“Differences in Opinion”

“Reconciling Divergent Values”

“Drafting FLP/LLC Agreements”

“The Role of the Third Appraiser”

“How Long is a Valuation Valid?”

“Intangible Assets in Acquisitions”

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