

# Contents

---

List of Exhibits	xv
About Shannon P. Pratt	xxi
About the Contributing Authors	xxiii
Foreword	xxxiii
Preface	xxxv
Acknowledgments	xxxix
Notation System Used in This Book	xlili

## Part I

---

### State of the Profession, the Engagement, and the Basic Theory

<b>CHAPTER 1</b>	<b>Business Valuation Standards and Credentials</b>	<b>3</b>
	Introduction • The Appraisal Foundation • Uniform Standards of Professional Appraisal Practice (USPAP) • Other Organizations That Have Offered Guidance on Business Valuation Issues • Professional Organizations Offering Accreditation in Business Valuation • Summary	
<b>CHAPTER 2</b>	<b>Defining the Assignment</b>	<b>17</b>
	Introduction • Basic Elements of the Appraisal Assignment • Definition of Who Offered and Who Accepted the Assignment • Identification of Intended Users Other than the Client • Intended Use of the Appraisal • Description of the Legal Interest or Interests to Be Appraised • Description of the Specific Ownership Interest Characteristics • Valuation Date • Standards of Value • Sources of Guidance as to Applicable Standards and Premises of Value • Form of the Report • Scheduling • Fee Arrangements • Extraordinary Assumptions and Hypothetical Conditions • Summary	
<b>CHAPTER 3</b>	<b>Business Valuation Theory and Principles</b>	<b>43</b>
	Introduction • Generally Accepted Theory • Reliance on Forecast versus Historical Benefits • Basic Variables Affecting Value • Impact of Risk on Value • Accepted Business Valuation Approaches and Methods • Levels of Value • Other Qualitative Factors Affecting Value • Matching the Valuation Methodology with the Standard and Premises of Value • Sum of Parts Not Necessarily Equal to Whole • Summary	

## Part II

## Gathering and Analyzing Data

<b>CHAPTER 4</b>	<b>Gathering Company Data</b>	<b>65</b>
	Introduction • Generalized Company Information Checklist • Financial Statements • Federal Income Tax Returns • Interim Financial Statements • Other Financial Statement Schedules • Off-Balance-Sheet Assets or Liabilities • Related Party Transaction Information • Operating Information • Past Transactions in the Stock or Offers to Buy • Budgets, Forecasts, and Projections • Capital Requirements • Company Documents Relating to the Rights of Owners • Summary	
<b>CHAPTER 5</b>	<b>Site Visits and Interviews</b>	<b>83</b>
	Introduction • History • Description of the Business • Management and Management Compensation • Operations • Markets and Marketing • Finance • Prior Arm's-Length Transactions or Offers • Catch-All Question • Interviews of Outsiders • Summary	
<b>CHAPTER 6</b>	<b>Researching Economic and Industry Information</b>	<b>97</b>
	Introduction • National Economic Information • Regional Economic Information • Industry Information • Summary	
<b>CHAPTER 7</b>	<b>Analyzing Financial Statements</b>	<b>107</b>
	Introduction • Normalizing versus Controlling Adjustments • Adequacy of Allowance and Reserve Accounts • Inventory Accounting Methods • Depreciation Methods and Schedules • Depletion • Treatment of Intangibles • Other Intangible Assets • Capitalization versus Expensing of Various Costs • Timing of Recognition of Revenues and Expenses • Net Operating Loss Carryforwards • Treatment of Interests in Affiliates • Extraordinary or Nonrecurring Items • Operating versus Nonoperating Items • Management Compensation and Perquisites • Transactions Involving Company Insiders • Contingent Assets and Liabilities • Adjustments to Asset Valuations • Computation of Earnings per Share • Computation of Book Value per Share • Equity Compensation—Phantom Stock and SARs • Example of the Effect of Alternative Accounting Methods • Adjusting the Balance Sheet to Current Values • Summary	
<b>CHAPTER 8</b>	<b>Financial Statement Ratio Analysis</b>	<b>133</b>
	Introduction • Use and Interpretation of Ratio Analysis • Common-Size Statements • Short-Term Liquidity Measures • Activity Ratios • Risk Analysis • Balance Sheet Leverage Ratios • Income Statement Coverage Ratios • Income Statement Profitability Ratios • Return on Investment Ratios • Asset Utilization Ratios • Summary	

## Part III

**Business Valuation Approaches and Methods**

- CHAPTER 9 Income Approach: Discounted Economic Income Method 155**  
 Introduction • Theoretical and Practical Soundness of the Approach • Basic Discounted Economic Income Framework • Estimating the Discount Rate • Discounting Economic Income Available to Overall Capital • Specific Forecast Period Plus a Terminal Value • Midyear Discounting Convention • Example of Application of Discounted Economic Income Methods • Caveats in Using Discounted Economic Income Methods • Does the Discounted Economic Income Method Produce a Control or a Noncontrolling Value? • What Standard of Value Does a Discounted Economic Income Method Produce? • Common Errors • Summary
- CHAPTER 10 Income Approach: Capitalized Economic Income Method 181**  
 Introduction • Essential Difference Between the Discounting Method and the Capitalization Method • The Perpetual Economic Income Stream Model • Converting a Discount Rate to a Capitalization Rate—The Constant Growth Model • The Gordon Growth Model • Sensitivity to Growth Rate Assumptions • When to Use the Discounting versus the Capitalization Method • Equivalence of the Discounting and Capitalization Methods • Implementing the Capitalized Economic Income Method • Forecasting the Basic Economic Income Level and the Growth Rate • Defining the Components in the Capitalization Method • Modification to Reflect the Midyear Discounting Convention • Using the Capitalized Economic Income Method to Develop a Terminal Value • Does the Capitalized Economic Income Method Produce a Control Value or a Noncontrolling Value? • What Standard of Value Does the Capitalized Economic Income Method Produce? • Misconceptions About the Difference Between the Discounted Economic Income and the Capitalized Economic Income Methods • Relationship Between the Capitalized Economic Income Method and the Market Approach • Common Errors • Summary
- CHAPTER 11 Income Approach: Developing the Discount Rate 207**  
 Introduction • What Is Risk? • Capital Asset Pricing Model • Build-Up Method • Risk-Free Interest Rate and Equity Risk Premium: Interrelated Concepts • Systematic and Unsystematic Risk • Industry Risk Premiums • Size Effect • Company-Specific Risk Premium • Rate of Return Allowed to Regulated Companies • Benchmarking to Industry Data • Estimating the Discount Rate for Closely Held Businesses • Converting a Discount Rate Applicable to Net Cash Flow to a Discount Rate Applicable to Another Measure of Economic Income • Common Errors • Summary
- CHAPTER 12 Income Approach: Forecasting Economic Income 257**  
 Introduction • Understanding the Business of the Subject Company • Economic and Market Conditions Considerations • Industry Considerations • Company-Specific Considerations • Specific Forecast Period Economic Income Considerations • Terminal Period Economic Income Considerations • Common Errors • Summary

<b>CHAPTER 13</b>	<b>Market Approach: Guideline Public Company Method</b>	<b>283</b>
	Introduction • Overview of the Guideline Public Company Method • When Is the Guideline Public Company Method Most Useful? • Criteria for Guideline Company Selection • How Many Guideline Companies? • Time Period to Consider • Deciding Which Valuation Multiples to Use • Compiling Guideline Company Tables • Selection of Multiples • Selecting and Weighting Specific Multiples for the Subject Company Based on Guideline Companies • Treating Nonoperating Assets, Excess Assets, and Asset Deficiencies • Multiline Companies • Typical Adjustments to Reach a Value Conclusion • Valuation Multiples Using Market Value of Invested Capital • Common Errors • Summary	
<b>CHAPTER 14</b>	<b>Market Approach: Guideline Transaction Method</b>	<b>325</b>
	Introduction • Overview of the Guideline Transaction Method • When Is the Guideline Transaction Method Most Useful? • Control Transaction Valuation Multiples • Caveat: Check the Deal Structure • Sources of Merger and Acquisition Data • Past Subject Company Transactions • Formulas or Rules of Thumb • Nonoperating Assets, Excess Assets, and Asset Deficiencies • Selecting and Weighting Multiples for the Subject Company Based on Guideline Transactions • Reaching the Value Conclusion • Common Errors • Summary	
<b>CHAPTER 15</b>	<b>Asset-Based Approach: The Capitalized Excess Earnings Method</b>	<b>343</b>
	Introduction • History of the Capitalized Excess Earnings Method • Capitalized Excess Earnings Valuation Method • Analysis of the Capitalized Excess Earnings Method • Comprehensive Example • Treatment of Negative Goodwill • Common Errors in Applying the Capitalized Excess Earnings Method • Summary	
<b>CHAPTER 16</b>	<b>Asset-Based Approach: Asset Accumulation Method</b>	<b>361</b>
	Introduction • Asset-Based Approach versus Book Value • Valuation Methods Under the Asset-Based Approach • Fundamentals of the Asset Accumulation Method • Asset Accumulation Method Procedures • Individual Asset Valuation Procedures • Combining Elements of the Asset Accumulation and Capitalized Excess Earnings Methods • Example • Advantages of the Asset Accumulation Method • Disadvantages of the Asset Accumulation Method • Summary	

## Part IV

---

### Discounts, Premiums, and the Value Conclusion

<b>CHAPTER 17</b>	<b>Control versus Lack of Control: Premiums and Discounts</b>	<b>385</b>
	Introduction • Control versus Lack of Control • Levels of Value • Measuring the Value Differential Between Levels of Value. • Elements of Control • Ways Control Elements Are Conveyed or Restricted • Control Covers a Spectrum • Deriving Value Reflecting Control or Lack of Control • How the Standard of Value Affects Control Considerations • Summary	

---

<b>CHAPTER 18</b>	<b>Market Evidence of Acquisition Premiums and Discounts for Lack of Control</b>	<b>409</b>
	Introduction • Market Evidence Regarding Acquisition Premiums • Market Evidence Regarding Discounts for Lack of Control • Asset Holding Companies • Direct Undivided Ownership Interests in Real Estate • Nonoperating Assets • Summary	
<b>CHAPTER 19</b>	<b>Discounts for Lack of Liquidity for Controlling Ownership Interests</b>	<b>419</b>
	Introduction • Liquidity and Marketability—Closely Related but Not the Same • Adjustment for Lack of Marketability for Noncontrolling Ownership Interests • Marketability Discounts Extracted from Prices of Restricted Stocks • Marketability Discounts Extracted from Studies of Private Transactions before Initial Public Offerings • Quantitative Methods Used to Quantify Discount for Lack of Marketability • Quantitative Analysis Using Put Option Models • Interests with Blocking Power or Influence • Overlap Between Control and Marketability Discounts • Factors that Affect the Lack of Marketability and Cost of Illiquidity • Hierarchy of Factors Impacting DLOM—Liquidity • Court Decisions on Discounts for Lack of Liquidity and Lack of Marketability • Discounts for Lack of Liquidity for Controlling Ownership Interests • Summary	
<b>CHAPTER 20</b>	<b>Other Valuation Discounts</b>	<b>465</b>
	Introduction • Entity-Level Discounts • Shareholder-Level Discounts • Summary	
<b>CHAPTER 21</b>	<b>Valuation Reconciliation and Conclusion</b>	<b>481</b>
	Introduction • The Reconciliation Process • Criteria for the Selection of Valuation Approaches and Methods • Reconciling Divergent Indications Among Valuation Methods • Weighting of Valuation Method Results • At What Point Are Valuation Discounts and Premiums Applied? • Concluding the Value Estimate • Summary	

## Part V

---

### Writing and Reviewing Business Valuation Reports

<b>CHAPTER 22</b>	<b>Writing the Business Valuation Report</b>	<b>499</b>
	Introduction • Overview of the Business Valuation Report • Uniform Standards of Professional Appraisal Practice • International Valuation Reporting Standards • Internal Revenue Service Business Valuation Guidelines • Valuation Professional Organization Reporting Standards • Guidelines for Effective Report Writing • Common Errors and Shortcomings in Business Valuation Reports • Summary	
<b>CHAPTER 23</b>	<b>Sample Report</b>	<b>515</b>
	Introduction • Nature and History of the Business • Analysis of the U.S. Economy • Analysis of the Poultry Processing Industry • Financial Statement Analysis • Valuation of Common Stock • The Guideline Public Company Method • The Discounted Cash Flow Method • Overall Valuation Conclusion	

<b>CHAPTER 24</b>	<b>Reviewing a Business Valuation Report</b>	<b>553</b>
	Introduction • Valuation Review Checklist • Identification of the Subject Property and Client • Relevant Dates • Definition of Value • Purpose of the Valuation • Ownership Characteristics • Economic and Industry Outlook • Basic Company Information • Sources of Information • Financial Statement Adjustments • Comparative Financial Statement Analysis • Valuation Methodology • Are the Data Employed Appropriate to the Valuation Date? • Valuation Discounts and Premiums • Valuation Reconciliation and Conclusion • Appraiser's Qualifications • Statement of Contingent and Limiting Conditions • Overall Evaluation	

## Part VI

### Valuing Specific Assets, Instruments, and Interests

<b>CHAPTER 25</b>	<b>Valuing Intangible Assets</b>	<b>569</b>
	Introduction • Business Valuation and Intangible Assets • Types of Intangible Assets • Reasons to Value Intangible Assets • Intangible Asset Valuation • Summary	
<b>CHAPTER 26</b>	<b>Valuing Debt Securities</b>	<b>589</b>
	Introduction • Debt Instruments Overview • Common Situations Requiring Valuation of Debt Instruments • Methods of Valuation • Structural Characteristics of Debt Instruments • Private Promissory Notes • Other Forms of Corporate Borrowing • Summary	
<b>CHAPTER 27</b>	<b>Valuing Preferred Securities</b>	<b>615</b>
	Introduction • Common Situations Requiring Valuation of Preferred Instruments • Structural Characteristics of Preferred Interests • Method of Valuation of Preferred Interests • Tax and Financial Reporting Literature • Summary	
<b>CHAPTER 28</b>	<b>Introduction to Valuing Stock Options</b>	<b>633</b>
	Introduction • Common Situations Requiring the Valuation of Options • Terminology • Basic Call Option Equation • Black–Scholes Option Pricing Model • Binomial Model for American Call Options • Monte Carlo Simulation Techniques • Using Option Pricing to Value the Built-In Gains (BIG) Tax Liability • Real Options • Summary	
<b>CHAPTER 29</b>	<b>Valuing Employee Stock Options</b>	<b>661</b>
	Introduction • Federal Income Taxes • Financial Reporting • Binomial Example of Valuing a Public Company ISO • Valuing Options of Closely Held Businesses • Summary	

<b>CHAPTER 30</b>	<b>Valuing Complex Capital Structures</b>	<b>671</b>
	Introduction • Where Are Complex Capital Structures Commonly Encountered? • Considerations Before Equity Is Allocated Among Equity Classes • Overview of Allocation Methods • Case Study Assumptions • Case Study Using Allocation Method 1: Current Value Method • Case Study Using Allocation Method 2: Probability-Weighted Expected Return Method • Case Study Using Allocation Method 3: Option Pricing Method • Case Study Using Allocation Method 4: Hybrid Method • Comparison of the Equity Allocation Methods • Common Equity Allocation Pitfalls • Summary	
<b>CHAPTER 31</b>	<b>Valuing Interests in S Corporations and Other Pass-Through Entities</b>	<b>697</b>
	Introduction • Case Law History • Properly Matching Economic Income with the Discount Rate • Investor-Level Taxes and the Discount Rate • Academic Research • Models for Valuation of Pass-Through Entities • Summary	
<b>CHAPTER 32</b>	<b>Valuing Interests in REITs and Other Real Property Holding Entities</b>	<b>713</b>
	Introduction • Real Estate Investment Trusts • Family Limited Partnerships and Limited Liability Companies • Summary	
<b>CHAPTER 33</b>	<b>Valuing Real Property with a Business Component</b>	<b>727</b>
	Introduction • How Do Real Estate Appraisers Analyze Real Property with a Business Component? • Relying on a Real Property Appraisal within a Business Valuation Assignment • Suggestions for Working with Real Property Appraisers • Summary	

## Part VII

### Valuations for Specific Purposes

<b>CHAPTER 34</b>	<b>Valuations for Gift, Estate, and Charitable Contribution Tax Purposes</b>	<b>743</b>
	Introduction • Current Tax Rates and Penalties • Guidelines for Federal Gift and Estate Tax Valuations • IRC Chapter 14 Special Valuation Guidelines • Gift and Estate Tax Filing Process • Locking in the Three-Year Gift Tax Statute of Limitations • Shifting the Burden of Proof from the Taxpayer to the IRS • Valuation Issues in Estate and Gift Tax Planning • Valuation Requirements for Charitable Contribution Deductions • Summary	
<b>CHAPTER 35</b>	<b>Gift, Estate, and Charitable Contribution Tax Court Cases</b>	<b>765</b>
	Introduction • Inadequacy of the Valuation • Fair Market Value • Approaches to Value • Burden of Proof • Selection of Guideline Companies • Buy-Sell Agreements • Covenants Not to Compete • Reliance on Subsequent Sales • Subsequent Events and Data • Discount for Lack of Marketability • Discounts for Lack of Marketability—Controlling Ownership Interests • Discount for Lack of Control • Blockage Discounts • Key Person Discount • Contingent Liability Discounts • Combined Discounts • Premiums • Built-In Capital Gains Taxes • Subchapter S Corporations • Family Limited Partnerships (FLPs) • Focus on Willing Seller as Well as on Willing Buyer • Must Use Empirical Data to Quantify Valuation Inputs • Sufficiency of Data • Charitable Contribution Issues • Summary	



<b>CHAPTER 36</b>	<b>Valuation Provisions in Buy-Sell Agreements</b>	<b>819</b>
	Introduction • Categories of Buy-Sell Agreements • Pricing Mechanisms in Buy-Sell Agreements • Elements of Valuation Processes Described in Buy-Sell Agreements • Single Valuation Analyst Processes • Multiple Valuation Analyst Processes • Selecting the Valuation Analyst(s) • Common Problems with Buy-Sell Agreements • Summary	
<b>CHAPTER 37</b>	<b>Valuation for Income Tax Purposes</b>	<b>835</b>
	Introduction • Federal Income Tax Reasons to Conduct an Appraisal • Valuation of Property Received/Transferred in a Transaction • Use of Financial Reporting Valuations for Income Tax Purposes • U.S. Tax Reform Considerations • Valuation of Compensation • Valuation of Noncompetition Agreements • Valuation of Worthless and Abandoned Property • Valuation Aspects of Cancellation of Indebtedness Income • Valuation-Related Income Tax Penalties • Valuation Aspects of Intercompany Transfer Pricing • Valuation of Intellectual Properties for State Income Taxation Purposes • Summary	
<b>CHAPTER 38</b>	<b>Income Tax Court Cases</b>	<b>865</b>
	Introduction • General Valuation Methodology Issues • Reasonable Compensation Issues—Multifactor Tests • Reasonable Compensation Issues—Independent Investor Test • Intangible Asset Valuation Issues • Intangible Asset Valuation Issues in Transfer Pricing • Purchase Price Allocation Issues – Payment for Stock • Purchase Price Allocation Issues—Payment for Noncompetition Agreements • Present Value as Indicator of <i>For Profit</i> Status • Stock Warrant Valuation • Valuation as Accounting Method • Discounts Applicable in Corporate Distributions • Like-Kind Exchange • Use of Financial Reporting Valuations for Income Tax Purposes • Summary	
<b>CHAPTER 39</b>	<b>Valuations for Employee Stock Ownership Plans</b>	<b>917</b>
	Introduction • General ESOP Framework • Valuation of a Company for ESOP Purposes • Valuation Approaches and Methods • Legislative and Regulatory Issues in ESOPs • IRS Audit Guidelines • ESOP-Specific Plan Administration Issues • Finance Issues in Leveraged ESOPs • Repurchase Liability • Accounting for ESOPs • Fiduciary Issues in ESOPs • Valuation Issues in ESOPs • Summary	
<b>CHAPTER 40</b>	<b>ESOP Court Cases</b>	<b>939</b>
	Introduction • <i>Sommers v. Corrigan</i> • <i>U.S. News &amp; World Report</i> • <i>Eyler v. Commissioner</i> • <i>Henry v. Champlain</i> • <i>Eckelkamp v. Beste</i> • <i>Chao v. Hall Holding</i> • <i>Keach v. U.S. Trust Co.</i> • <i>Armstrong v. LaSalle</i> • <i>Kennedy v. Trustmark</i> • <i>Fifth Third Bancorp v. Dudenhoeffer</i> • <i>Perez v. Bruister</i> • <i>Fish v. GreatBanc</i> • <i>Brundle v. Wilmington Trust</i> • <i>Pizzella v. Vinoskey</i> • <i>Remy v. Lubbock</i> • <i>Lee v. Argent Trust</i> • <i>Walsh v. Bowers &amp; Kubota</i> • Summary	
<b>CHAPTER 41</b>	<b>Valuations in Shareholder and Partner Disputes</b>	<b>973</b>
	Introduction • Dissenting Stockholder Actions • Interpretation of the Fair Value Standard in Dissent Cases • Requirement for Entire Fairness • Consequences of Lack of Entire Fairness • Noncontrolling Interest Dissolution Actions • Partnership Disputes • Summary	



---

<b>CHAPTER 42</b>	<b>Shareholder and Partner Dispute Court Cases</b>	<b>981</b>
	Introduction • Readers Must Interpret Cases Carefully • High Risk Associated with Applying Novel Theories • Fair Value Is Not Fair Market Value • Breach of Fiduciary Duty Expands Plaintiffs' Potential Damages • Some States Use Acquisition Value Instead of Going-Concern Value • The Impact of Appraisal Arbitrage in Recent Delaware Decisions • Approaches to Value • Other States Consider Market Value, Asset Value, and Investment Value • Oppression Remedies Sometimes Differ from Appraisal • Corporate Dissolution in Shareholder Deadlock • Partnership and Limited Liability Company Dispute Cases • Discounts for Lack of Control and Lack of Marketability • Summary	
<b>CHAPTER 43</b>	<b>Valuations for Marital Dissolution Purposes</b>	<b>1015</b>
	Introduction • The Marital Estate • Standard of Value • Valuation Date • Discovery • Goodwill • Valuation Methods • Compensation • Noncompete Covenants • Buy-Sell Agreements • Treatment of Built-In Capital Gains Taxes • Tax Consequences Upon the Hypothetical Sale of the Business • Valuation Discounts and Premiums • The Role of the Valuation Expert • Adequacy of Evidence • Summary	
<b>CHAPTER 44</b>	<b>Marital Dissolution Court Cases</b>	<b>1029</b>
	Introduction • Standards of Value • Premise of Value • Active versus Passive Appreciation • Valuation Date • Goodwill • The Double Dipping Issue • Valuation Methods in the Family Law Courts • Noncompete Covenants • Buy-Sell Agreements • Discounts for Lack of Control and Lack of Marketability • Adequacy of Evidence • Treatment of Tax Liabilities • Summary	
<b>CHAPTER 45</b>	<b>Valuations for Financial Reporting</b>	<b>1065</b>
	Introduction • Financial Reporting Objectives and Frameworks • Standard-Setting in Financial Reporting • Standardization of Fair Value • Key Accounting Topics Incorporating Fair Value • Characteristics of Fair Value (ASC 820) • Fair Value vs. Fair Market Value • Accounting for Acquisitions (ASC 805 and ASC 350) • Impairment Testing (ASC 350 and ASC 360) • Stock Compensation (ASC 718) • Portfolio Valuations (ASC 946) • Minimum Performance Standards • Summary	
<b>CHAPTER 46</b>	<b>Valuations for Ad Valorem Taxation</b>	<b>1089</b>
	Introduction • Definitions of Ad Valorem Taxation Terminology • Basic Principles of the Property Tax Valuation Process • The Property Tax Equalization Process • The Property Tax Appeal Process • Property Tax Valuation Issues • Summary	
<b>CHAPTER 47</b>	<b>Fairness Opinions</b>	<b>1119</b>
	Introduction • Corporate Law Relevant to Fairness Opinions • Directors' Fiduciary Duties • Board Decisions in the Transaction Context • Overview of Fairness Opinions • Underlying Financial Analyses • Scope of Work Issues • Summary	

<b>CHAPTER 48</b>	<b>Solvency Opinions</b>	<b>1141</b>
	Introduction • Risks Addressed by Solvency Opinions in Highly Leveraged Transactions • Solvency Opinion Determinations • Analysis Supporting Solvency Opinions • Additional Solvency Opinion Issues • Summary	

---

**Part VIII**

---

**Litigation and Dispute Resolution**

<b>CHAPTER 49</b>	<b>Litigation Support Services</b>	<b>1157</b>
	Introduction • The Role of Experts in Valuation-Related Disputes • Types of Disputes Requiring Valuation-Related Testimony • Engaging the Valuation Analyst as an Expert • The Litigation Process • Expert Discovery • Pretrial Briefs • Damages • Financial Forensics Investigations • Summary	
<b>CHAPTER 50</b>	<b>Expert Testimony</b>	<b>1179</b>
	Introduction • Background Preparation • The Court as Gatekeeper • Depositions • Outlining Courtroom Testimony • Exhibits • Preparation with the Attorney • In the Courtroom • Courts' Expectations Regarding Expert Testimony • Summary	
<b>CHAPTER 51</b>	<b>Alternative Dispute Resolution</b>	<b>1203</b>
	Introduction • Advantages of ADR over Court Trial • Situations Suitable for Arbitration • The Arbitration Agreement • Selection of Arbitrators • Engagement and Compensation of Arbitrators • The Arbitration Process • Reporting the Results of the Arbitration • Mediation • Summary	
	<b>About the Website</b>	<b>1217</b>
	Appendices to each chapter online at <a href="http://www.appraisers.org/VAB6">www.appraisers.org/VAB6</a> .	
	<b>Index</b>	<b>1221</b>