



Richard E. Walck **CPA/ABV, CMA, CFM**

Richard E. (“Rory”) Walck is a partner and co-founder of Global Financial Analytics LLC. He focuses on providing financial and valuation services to clients facing business challenges, litigation and arbitration. With thirty-two years of business management, public accounting and consulting experience, he has helped hundreds of clients with complex business problems, including litigation, arbitration and regulatory matters, as well as workout, restructuring and liquidation of troubled assets. Mr. Walck has extensive testimony experience, having provided expert witness testimony on financial issues in State and Federal Courts, in domestic and international arbitration hearings, at regulatory proceedings and in depositions.

Mr. Walck has assisted clients in the evaluation and analysis of complex financial issues in a variety of commercial and international treaty matters. His clients have ranged from companies with contract or other commercial claims to multi-nationals involved in bilateral or multilateral investment treaty disputes.

Much of his work for the past thirty years has been in the energy industry. He has addressed issues involving electric power, oil, gas and chemicals, both domestically and internationally. In addition, Mr. Walck has experience in such diverse areas as airlines, beverages, construction projects, electronics, entertainment, financial institutions, food, franchising, health care, hotels, insurance, manufacturing, professional services, retailing, semiconductors and telecommunications.

Mr. Walck has consulted on a diverse set of financial and accounting issues, including records reconstruction, contract matters, intellectual property matters, lost profit claims, post-acquisition disputes, business interruption, asset workout and portfolio liquidation. Examples of his prior projects are listed below.

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Education

- Master of Business Administration with concentration in Finance and Accounting The University of Chicago
- Bachelor of Arts with High Honor, School of Hospitality Management, Michigan State University Honors College
- Bachelor of Arts with High Honor, Philosophy, Michigan State University Honors College

Professional Certifications

- Certified Public Accountant
- Accredited in Business Valuation
- Certified Management Accountant
- Certified in Financial Management

Professional Associations

- American Institute of Certified Public Accountants
- Virginia Society of Certified Public Accountants
- Institute of Certified Management Accountants
- American Bar Association— International Section
- International Bar Association

Language

- French (working knowledge)



Consulting Project Experience

Energy Charter Treaty Arbitration

He is assisting a Central European client in an international arbitration before the ICSID, arising under the Energy Charter Treaty. In this matter, Mr. Walck is addressing the economic impact of actions taken by a signatory government on the operations of a European energy company.

Latin American Oil Dispute

Mr. Walck assisted a major foreign oil company in evaluating its options relating to investments made in the development of oil reserves in a Latin American country. His assistance here was sought to help assess the potential outcomes in the event of an international arbitration over the host government's actions, providing input to assist the company in determining the appropriate course of action.

U.S. Power Plant Arbitration

Mr. Walck recently testified in the merits hearing before an Ad Hoc tribunal assessing the impact of a breach of contractual representations resulting in the loss of a power purchase agreement on the purchaser of a cogeneration facility. He provided the tribunal with a valuation of the benefits stream received by the Claimant and a comparison of that stream of cash flows to the expected cash flows under the PPA that were used in valuing the facility at the time of purchase.

Middle Eastern Royalty Arbitration

Mr. Walck assisted a U.S. Respondent in defending claims brought by a Middle Eastern Claimant before an international tribunal alleging destruction of its retail business resulting from counterfeit goods in the local market. Mr. Walck also provided the tribunal with testimony on the underpayment of royalties by the Claimant, as demonstrated by the Claimant's financial records.

Latin American Energy Arbitration

Mr. Walck assisted a U.S. investor with arbitration involving a billion dollar investment dispute in Latin America. In this matter he provided an international arbitral panel with written testimony concerning relative costs and benefits to both parties and issues arising under U.S. and host country generally accepted accounting principles, including reconciliation of the reported results under both sets of accounting principles.



Nuclear Plant Design Litigation

Mr. Walck served as the damages expert for the owner of a nuclear generating station in the Federal Court trial of its design litigation against the engineer and designer of the reactor containment building. In that matter, post-construction reevaluation of the engineering loads led to retrofitting of the containment structure. In addition to \$150 million of direct material and labor costs, the costs to the owner included nearly one billion dollars for delay, escalation and interest.

Breach of Energy Agreement

Mr. Walck assisted a major U.S. oil company with the assessment of damages caused by a Latin American governmental entity's breach of its agreement to provide revenue assurance to a subsidiary of the client company. Mr. Walck provided written reports on the damages issues to the ICC tribunal hearing the merits of the matter.

Latin American Investment Treaty Arbitration

Mr. Walck is assisting a client in ICSID arbitration with the calculation of damages arising from governmental actions that are alleged to have been discriminatory and to have failed to provide fair and equitable treatment under a bilateral investment treaty. His efforts here are focused on determining the immediate and long-term impacts of those governmental actions, and the resulting decrement in the value of the client's investment in the host country.

Fuel Price Fixing Allegations

Mr. Walck led a team in the defense of the Uranium Antitrust Litigation – MDL 342. His work here focused on the examination of transactional data on the worldwide market for yellowcake (U_3O_8) and the underlying pricing patterns. His team designed a relational database (long before such software was commercially available) to enable the correlation of all documents pertaining to a single fuel supply transaction, including competitive bids, instances where one or more suppliers declined to bid, the resulting contracts and other documents, and to enable the extraction of data according to various user specified criteria.

Domestic Power Plant Arbitration

Mr. Walck was engaged by the seller of several domestic combined cycle power plants in connection with a post-acquisition dispute over certain accounting adjustments proposed by the seller and resisted by the buyer. He analyzed the applicability of U.S. generally accepted accounting principles under the contract and provided expert testimony at the arbitral hearing regarding the appropriate price adjustment on both GAAP and equity grounds.



Asian International Commercial Arbitration

Mr. Walck helped an Asian client quantify the harm resulting from breach of a commercial contract by the foreign counterparty. His efforts here were directed to the analysis of markets for the affected goods in several countries in Southeast Asia, the growth potential in each of those markets, the potential revenues of the Asian company and the likely profits it could have obtained from a multi-year arrangement with the Respondent company.

Latin American Investment Treaty Arbitration

Mr. Walck studied the impact of the host government's breach of a bilateral investment treaty on a major international energy company. In this regard, he served as the technical team's advisor, helping to address difficult issues in damages theory and their application in the context of the treaty violation.

Middle Eastern Contract Pricing Compliance

Mr. Walck was the pricing compliance auditor in connection with the contract for supply and installation of telecommunications equipment between GTE International and the Telecommunications Company of Iran. Mr. Walck's role here was to provide the Iranian government purchaser with assurance that the pricing of switchgear and other products was in compliance with contractual pricing schedules.

Testimony Experience

Mr. Walck has provided expert witness testimony in several dozen matters, including matters in domestic and international arbitration, litigation and regulatory proceedings. He has offered expert witness testimony in the following matters:

Sumber Co. Pte. Ltd. v. JohnsonDiversey, Inc., Ad Hoc Arbitration, Expert Report, Rebuttal Report and Hearing Testimony, 2007.

Ponderosa Pine Energy, LLC v. Tenaska Energy Inc., et al., Ad Hoc Arbitration, Expert Report, Deposition and Hearing Testimony, 2007.

Hrvatska Elektroprivreda, d.d. v. the Republic of Slovenia, International Centre for Settlement of Investment Disputes, Case No. ARB 05/24, Expert Report, 2006 (merits proceedings pending).

Mesquite Investors, L.L.C. v. Newmarket Power Company, LLC, Ad Hoc arbitration, Expert Report and Hearing Testimony, 2006.



CIT Group Inc. v. Argentine Republic, International Centre for Settlement of Investment Disputes, Case No. ARB 04/9, Expert Report, 2005 (merits proceedings pending).

UEG Araucária Ltda. v. Companhia Paranaense de Energia, International Court of Arbitration of the International Chamber of Commerce, No. 12656/KGA, Expert Report and Expert Rejoinder Report, 2005 (Respondent declined to cross examine at hearing).

Petroleo Brasileiro S. A. v. El Paso Rio Claro Ltda., et al., International Centre for Dispute Resolution, Arbitration No. 50T-198008605, Expert Rebuttal Report and Addendum Report, 2005 (Claimant declined to cross examine at hearing).

Al Modhish Trading LLC v. Jordache Limited and Jeanjer Ltd., International Centre for Dispute Resolution, Arbitration No. 50T-1330021904, Expert Report, Deposition and Hearing Testimony, 2005.

ADT Security Services Inc. v. Premier Home Protection, et al., District Court, County of Arapahoe, Colorado Case No. 03CV3090, Expert Report, Supplemental Report, Rebuttal Report and Trial Testimony, 2005.

Spectracom, Inc., on behalf of itself and all others similarly situated v. Tyco International (US) Inc., et al., District Court, County of Arapahoe, Colorado Case No. 03CV5089, Class Certification Hearing Testimony, 2005.

Solatube International, Inc. v. Tubular Skylight, Inc., et al., United States District Court for the Middle District of Florida, Tampa Division, Case No. 8:03-cv-19-T-30MSS, Deposition, 2003.

Interdent, Inc., et al. v. Amerident Dental Corp., et al., Superior Court for the County of Los Angeles, California, No. BC 237600 Consolidated Cases BC 238706, BC 243664, Deposition and Trial Testimony, 2002.

In the Matter of the Arbitration between Ernst & Young LLP v. Jostens, Inc., American Arbitration Association, AAA No. 65 Y 107 00220 00, Expert Report and Hearing Testimony, 2001.

PRL USA Holdings v. US Polo Association, United States District Court for the Southern District of New York, Deposition, 2000.

Electro Lock v. Dynamic Manufacturing Co., Superior Court for the County of Los Angeles, California, Deposition and Trial Testimony, 1999, 1998.

Ingram Paper v. RGTI, American Arbitration Association, Deposition and Hearing Testimony, 1995.



Leeward Winery v. MacGregor, Superior Court for the County of Ventura, California, Deposition and Trial Testimony, 1992.

AR Inc. v. Cincinnati Milacron, Superior Court for the County of Los Angeles, California, Deposition, 1992.

SEEQ Technology v. Atmel Corporation, United States District Court for the Northern District of California, Deposition, 1992.

PIP Printing, Inc. v. Cabot, Cabot & Forbes, Superior Court for the County of Los Angeles, California, Deposition, 1991.

Washington Public Power Supply System v. General Electric Company, et al., United States District Court for the Eastern District of Washington, Deposition and Trial Testimony, 1990, 1988.

Rancho Paso Mobilehome Park, Applicant, Rent Control Board for the County of San Luis Obispo, California, Hearing Testimony, 1990.

ATS v. Pitman, Superior Court for the County of Los Angeles, California, Trial Testimony, 1990.

Glickman v. Haagen-Däzs, Superior Court for the County of Los Angeles, California, Deposition, 1990.

Levin v. Cox, Superior Court for the County of Oakland, California, Deposition, 1990.

American Automobile Association v. Matyas, Superior Court for the County of Los Angeles, California, Deposition, 1990.

E.T. Horn v. Armstrong, Superior Court for the County of Los Angeles, California, Deposition and Trial Testimony, 1990.

CHB Foods v. Marsh & McLennan, Superior Court for the County of Los Angeles, California, Deposition, 1989.

EECO v. Litton Industries, Superior Court for the County of Los Angeles, California, Deposition, 1989.

Deseret Jewelry, Superior Court for the County of Los Angeles, California, Trial Testimony, 1989.

Rancho Paso Mobilehome Park, Applicant, Rent Control Board for the County of San Luis Obispo, California, Hearing Testimony, 1989.



Alban v. Bright, American Arbitration Association, Hearing Testimony, 1989.

Hioureas v. Patillo, Superior Court for the County of Los Angeles, California, Trial Testimony, 1989.

Koch Industries v. Advanced Membrane Technology, United States District Court for the Southern District of California, Deposition and Trial Testimony, 1988.

Melroe Company v. J. I. Case Co., United States District Court for the Eastern District of Missouri, Deposition and Trial Testimony, 1988.

Surface Protection Industries v. Soep, Superior Court for the County of Los Angeles, California, Deposition and Trial Testimony, 1988.

Knight v. Security Pacific Bank, Superior Court for the County of Orange, California, Trial Testimony, 1987.

Tile Council of America v. Custom Building Products, United States District Court for the Central District of California, Deposition and Trial Testimony, 1987.

Chicanita Foods v. Circle-K Corporation, Superior Court for Maricopa County, Arizona, Deposition, 1987.

General Adjustment Life Insurance v. Lucas, et al., Superior Court for the County of Los Angeles, California, Deposition, 1987.

SEEQ Technology v. General Instrument, United States District Court for the Northern District of California, Deposition, 1987.

Clark Equipment Co. v. Lift Parts Manufacturing Co., United States District Court for the Northern District of Illinois, Deposition and Trial Testimony, 1986.

Drozanski v. Pacific Alarm, Superior Court for the County of Los Angeles, California, Deposition, 1986.

Golden State Sanwa Bank v. Holland, Superior Court for the County of Marin, California, Deposition, 1986.

JSD v. Sumitomo Bank, Superior Court for the County of Los Angeles, California, Deposition, 1986.

Isaacs v. Huntington Memorial Hospital, Superior Court for the County of Los Angeles, California, Deposition, 1985.



Ashkenazy v. Dade Savings Mortgage Corporation, Superior Court for the County of Santa Barbara, California, Deposition and Trial Testimony, 1985.

Bayou Steel v. Lexington Insurance, United States District Court for the Eastern District of Louisiana, Deposition and Trial Testimony, 1985.

Russi v. Mercury Consolidated, United States District Court for the Central District of California, Trial Testimony, 1984.

PeopleExpress Airlines v. Union Tank Car Co., New Jersey Superior Court, Deposition, 1984.

Thompson v. Downey Community Hospital, Superior Court for the County of Los Angeles, California, Deposition, 1984.

Taylor v. Kimball Piano Co., United States District Court for the District of Idaho, Deposition, 1983.

Buckner v. Diamond Reo, Superior Court for the County of Riverside, California, Deposition and Trial Testimony, 1983.

Hale v. Caterpillar Tractor Co., Superior Court for the County of Los Angeles, California, Deposition, 1983.

Spray v. Derington, Superior Court for the County of Los Angeles, California, Trial Testimony, 1982.

Speaking Engagements

Mr. Walck has spoken to numerous companies, law firms and professional associations on various topics related to damages and financial issues. In addition, Mr. Walck has given the following public addresses:

“Current Statistics on Investment Treaty Arbitration,” CLE Presentation to the American Bar Association Section of International Law, May 2007.

“Trends in Observed Royalty Rates: Implications for Valuation in both Licensing and Litigation Scenarios,” CLE Presentation to the Women’s Bar Association, April 2006.

“Accounting Concepts for Lawyers,” CLE Presentation to the District of Columbia Bar Association, January 2006.

“Evolution or Revolution in Investor-State Arbitration,” Moderator of panel discussion at the Permanent Court of Arbitration at The Hague, Netherlands, July 2005.



“Accounting Concepts for Lawyers,” CLE Presentation to the District of Columbia Bar Association, June 2005.

“Proving Damages for Internet Companies,” CPE Presentation to the Virginia Society of Certified Public Accountants, 2000.

“Proving the Case,” CLE/CPE Presentation to the Virginia Bar Association and the Virginia Society of Certified Public Accountants, May 1998.

“Proving Damages in Commercial Litigation,” CLE Presentation to the Maricopa County (AZ) Bar Association, 1983.

Publications

Mr. Walck has authored the following publications:

“Energy Litigation and Arbitration – Expert Perspectives,” special joint issue of *Oil-Gas-Energy Law Intelligence* and *Transnational Dispute Management*, OGEL at www.gasandoil.com/ogel/, 2007, vol. 5, no. 3 (as editor of the special issue).

“Observations on Expert Engagements: A Comment on ‘Expert Witnesses in Arbitration and Litigation Proceedings,’” OGEL at www.gasandoil.com/ogel/, 2007, vol. 5, no. 3.