



## DAVID A. MCGOWAN, MBA, CPA<sup>1</sup>

### **CURRENT POSITION**

Lunada Bay Associates LLC, Palos Verdes Estates, CA  
Managing Director (2008 - present)

### **PAST POSITIONS**

PricewaterhouseCoopers LLP, Minneapolis, MN & Los Angeles, CA  
Partner (1988 - 2008)

First Bank System (currently U.S. Bancorp), Minneapolis, MN  
Managing Director (1985 - 1988)

Norwest Corporation (currently Wells Fargo), Minneapolis, MN  
Vice President (1981- 1985)  
Corporate Controller (1981 - 1985)

Medtronic Inc., Minneapolis, MN  
Director of Finance and Control (1976 - 1981)

Peat Marwick Mitchell & Co. (currently KPMG), Minneapolis, MN  
Senior Consultant (1971 - 1976)

### **EDUCATION**

MBA, Northwestern University

BBA, University of Denver

### **PROFESSIONAL EXPERIENCE**

Retained by the Board of Directors of a developmental stage company to investigate allegations of miss-management, fraud and FCPA violations following hundreds of millions of dollars of investment from the Private Equity markets.

Directing a “forensic accounting reconstruction” of the largest commercial construction project (\$ 8.5 Billion) in the history of North America. This engagement involved the reconstruction of the cash flows and reconciling the disbursements to the underlying contracts, related change orders and

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<sup>1</sup> FSG is not a CPA firm



contractor billings. The second phase of the engagement focused on the economic losses resulting from construction defects.

Testified and performed detail forensic analysis rebutting numerous damage claims in a matter involving hundreds of domestic and international entities. Mr. McGowan's testimony was called upon in two phases of this litigation, which was one of the longest running cases in the Southern California Courts.

Directed numerous forensic investigations on behalf of Boards of Directors and/or Audit Committees of private and publicly traded corporations. These investigations have included allegations involving: revenue recognition, off balance sheet transactions, self-dealing; improper accounting on government contracts; missing assets including cash; Section 404 disclosures; FCPA violations; incomplete and/or inadequate disclosures. Some of these investigations involve restatement of prior period financial statements while others have resulted in findings requiring no change.

Directed various investigations on behalf of Corporations/Institutions and/or Boards of Directors involving Federal and State governmental inquiries, anonymous "whistle blower" letters; allegations of wrong doing emanating from ethics hot lines.

Directed analysis and investigation of a major real estate land development company. The departing partner (plaintiff) alleged that the defendant fraudulently represented transactions and denied the plaintiff his equitable rights in approximately 100 limited liability companies (LLC's). The complex structure of the individual LLC's required an analysis of the respective "waterfalls" resulting from third party equity and debt participations and other profit sharing arrangements. The alleged damages approximated \$1 billion, but following testimony in multiple mediation proceedings the matter was resolved for less than 5% of the claimed amount.

Directed analysis and provided testimony on a \$100 million dollar damage claim concerning the accounting for, and financial interpretation of, a contractual earn out provision. These analyses and subsequent testimony involve the evaluation of product line profitability, the use and existence of net operating losses, and the economic viability of certain contractual accounting and financial provisions.

Directed analysis and provided consulting services to a major pension fund pursuing a claim against a professional services organization. The complex damage calculation resulted in damages in excess of \$1 billion. In a similar matter, Mr. McGowan provided expert witness testimony on behalf of another pension fund.

Directed analysis and provided consulting services to other major accounting firms involved in various accounting malpractice matters.

Directed numerous liability and damage analyses involving allegations made against the mortgage banking and sub-prime mortgage banking entities. These individual and class actions have encompassed allegations relating to yield spread premiums, collateral protection programs, escrow accounting irregularities, and fraud.

Directed the analysis of claims resulting from two unrelated product recalls in the food industry. The claims included out-of-pocket damages, lost profits, personal injury, and loss of brand equity.



Directed the development of numerous damage claim positions resulting from allegations of patent infringement, breach of contract, fraud, breach of fiduciary duties, lost profits, & business interruption claims and prepared defenses against similar actions. These experiences have spanned the manufacturing, financial services, real estate, construction, airline, and professional services industries.

Served as independent arbitrator in various matters involving disputes arising from acquisitions involving “earn outs,” value of assets, distribution of income and consistency of accounting practices.

### **PROFESSIONAL CERTIFICATIONS**

Certified Public Accountant (CPA) licensed in Minnesota, California and Colorado

Certificate of Management Accounting (CMA)

Certified Fraud Examiner (CFE)

### **COMMUNITY BOARDS**

Currently Mr. McGowan sits on various boards of directors for not-for-profit organizations, including the Southern California Committee for the Olympic Games where he is also the Chief Financial Officer. He was one of the key officers that prepared the Los Angeles bid package to the US Olympic Committee relating to its consideration as a candidate city to host the 2016 Olympic Games. He is also a Board member and the Chief Financial Officer of the Los Angeles Parks Foundation and is President of two Homeowners Associations in Vail, Colorado.

### **CONTACT INFORMATION**

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