

Identifying Recoveries as an additional Asset

The Summary Pending Report provides you with such an accurate accounting of total recognized losses in class action settlements and a range of how much you could ultimately expect to recover, that it can be considered another asset. I would argue that you could use this asset when you're doing any asset testing. If you have \$400 million in recognized losses you will probably collect \$20 to \$40 million over the next couple of years. It would seem prudent to at least foot note financial statements with this predictable recovery.

This identifiable, quantifiable recovery is valued by many investors as a marketable asset. Our clients have been approached by people willing to buy their recognized losses. Our report is considered so accurate that these investors will pay you money today to own the recovery, at a discount and wait for the money to be collected. I don't recommend to do so unless money is needed today.

Most funds go through an asset test every year to determine whether a fund is fully funded or under funded. This pending recovery is an asset. Our financial partners would be pleased to bid for recognized losses providing additional proof of their worth. They may even be able to be auctioned off; just the same way some do to earn extra money in your stock loan activities. This is where additional money can be brought in today should you need it.