

Business Valuation Qualifications of George B. Hawkins, ASA, CFA
Banister Financial, Inc., Charlotte, North Carolina



George B. Hawkins, ASA, CFA

President

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George Hawkins, ASA, CFA, is President of Banister Financial, Inc., a Charlotte, North Carolina firm specializing in business valuation of privately-held companies, partnerships, and professional practices. Valuations are performed for estates/gifts, divorce, shareholder disputes, mergers/acquisitions, buy-sell agreements, and other instances where an independent valuation is required. Since 1981, he has analyzed, financed, or valued businesses, professional practices and partnerships in hundreds of industries, ranging from small companies and professional practices to large multi-state regional, national, and multi-national companies.

Accreditation in Business Valuation and Financial Analysis

- *Accredited Senior Appraiser (ASA) in Business Valuation, American Society of Appraisers-* Certification requirements include five years prior full time business valuation experience, the completion of required courses and exams, and the submission of business valuations for review by the International Board of Examiners. Periodic recertification and continuing education is required. The American Society of Appraisers is the leading certifying body of business appraisers.

- *Chartered Financial Analyst Charterholder (CFA), CFA Institute-* To earn the CFA candidates must complete a three year program of study in financial analysis, the valuation of equities, closely-held companies, bonds and derivative securities, investment analysis, economic analysis and portfolio management, passing an all-day examination each year (for 3 years). It is the leading worldwide certification in investment banking, financial and investment analysis and investment management.

Co-Author of Business Valuation Book

Co-author (with Michael A. Paschall, also of Banister Financial, Inc.) of *Business Valuation Guide*, a business valuation book. The book (in its 18th edition, October 2016) is published by Wolters Kluwer (formerly published by its CCH Incorporated unit) (one of the world's largest legal, tax and accounting publishers). Hawkins and Paschall are also past co-editors of *CCH Business Valuation Alert*, a quarterly valuation journal published nationally by CCH.

National Positions and Honors in Business Valuation

- *Head (2003-2008), International Board of Examiners, Business Valuation, American Society of Appraisers.* This board reviews business valuations from candidates seeking accreditation to determine if the reports submitted meet the required business valuation report standards. Hawkins previously served as an advisor and grader (1994-2003).

- *Business Valuation Committee, American Society of Appraisers (ASA), Member (2003-2009).* This is the governing body of the ASA's business valuation discipline.

- *Examiner of the Year Award (2001), International Board of Examiners, American Society of Appraisers.*

- *American Academy of Matrimonial Lawyers (AAML) Foundation Forensic & Business Valuation Division Charter Member-* One of 28 Charter Members from across the U.S., selected on the basis of their national reputation and achievements in business valuation, litigation support and forensic accounting, their history of serving AAML members and their clients in complex financial matters during divorce proceedings, and their commitment to integrity in this process. The



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Foundation is affiliated with the American Academy of Matrimonial Lawyers (AAML), the nation's premier organization for highly experienced attorneys practicing family law and consisting of 1,600 of the best divorce lawyers in America.

Educational Background

- Wake Forest University- Masters of Business Administration (MBA) degree, May 1981.
- University of North Carolina at Chapel Hill- A.B. in Economics, June 1979.
- University of Bath (England)-Year of foreign study, 1978-79.

Business Valuation, Financial and Related Conferences, Seminars Attended (Not All-Inclusive)

- American Society of Appraisers (ASA).
 - Business Valuation Levels 201 through 204.
 - Advanced Business Valuation Conference, attendance at numerous of these annual conferences and a speaker at multiple time.
 - International Appraisal Conference, multiple years (and a speaker at one of them).
 - Uniform Standards of Professional Appraisal Practice, 1994, 1999, 2014.
 - A variety of other seminars and webinars on various business valuation issues.
- Completion of *ASA's Healthcare Special Interest Group in its Multidisciplinary Advanced Education in Healthcare Valuation Program (2016)*:
 - "Business Valuation of Healthcare Enterprises and Services (and Interests Therein)."
 - "Valuation of Healthcare Intangible Assets and Intellectual Property."
 - "Valuation of Healthcare Tangible Personal Property."
 - "Valuation of Healthcare Real Estate and Real Property."
- American Institute of Certified Public Accountants (AICPA) Business Valuation Conference, 2001 (also a speaker).
- Annual conference of the American Academy of Matrimonial Lawyers (AAML), 2014.
- American Bar Association, American Law Institute Estate Planning for the Family Business Owner Conference, multiple years (also a speaker at each).
- American Bar Association, Judicial Section, August 2004 (Hawkins was speaker at the conference).
- North Carolina Bar Foundation- numerous continuing legal education courses annually by various bar sections pertaining to estate and gift planning, family law, business law, etc.
- Kansas Society of CPAs Business Valuation Conference (also a speaker).
- Various continuing education seminars on business valuation variously offered by the AICPA, ASA and Business Valuation Resources (also a speaker/panelist/moderator at multiple of these).
- *Chartered Financial Analyst* Charterholder (CFA) program- Three year certification program testing knowledge and application of accounting, economics, financial analysis, stock valuation, bond analysis and valuation, derivative securities, and portfolio management.
- North Carolina National Bank (now Bank of America) Credit Analyst Program, 1981- Financial and credit analysis of companies (Hawkins was later as an instructor in the program).

Court Appointments as Independent Business Appraiser- Mr. Hawkins has been court and/or jointly retained by parties in valuation disputes (divorce, shareholder disputes, etc.) in excess of 70 times.

- United States District Court- Advisor to Federal Magistrate on business valuation issues before the Court.
- North Carolina Business Court- Appointment by the court for various shareholder valuation disputes.
- North Carolina State Courts- Appointment by the courts in disputes and divorces.

Jointly Retained and Independent Business Appraiser in Disputes- Jointly retained by parties in a large number of valuation disputes, as well as being appointed by numerous courts as an independent business appraiser. This includes various courts in North Carolina for family law purposes, disputes, and for the North Carolina Business Court in minority shareholder litigation.

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Has Previously Qualified as Business Valuation Expert in Local, State, Federal Courts, and in Arbitration

- United States Tax Court. Has qualified and testified as an expert witness in business valuation in multiple cases.
- United States District Court, Eastern District of North Carolina. Has qualified as an expert witness in business valuation, lost profits, and financial analysis.
- United States Bankruptcy Court. Has qualified as an expert witness in business valuation.
- North Carolina state courts. Has qualified as an expert witness in business valuation in numerous courts.
- Depositions as a business valuation expert in South Carolina dissenting minority shareholder cases.
- Internal Revenue Service. Appearances on valuation-related issues.
- United States Justice Department. Valuation expert for the Government on an estate taxation matter.

Seminar Presentations and Speeches on Business Valuation Given by George B. Hawkins

- *What is 'Fair Value' in a Corporate Shareholder Dissolution Matter What Are The Nagging Valuation Issues That Come Up Time and Again That Drive Attorneys, the Court, and Business Appraisers Crazy*, Business Law Section of the Mecklenburg County Bar, Charlotte, NC (June 22, 2017).
- *Advanced Intensive Equitable Distribution Seminar*, Family Law Section of North Carolina Bar Association, Raleigh, NC (11/2015 and 2/2016)- Panelist on valuation issues involving interests in sole proprietorships and other schedule C reporting entities for equitable distribution.
- "Valuing Businesses in a Time of Economic Uncertainty: Any Value Left? (Hint: Yes)," *Joint American Academy of Matrimonial Lawyers, American Institute of Certified Public Accountants National Conference on Divorce (5/2012)*, Las Vegas, NV.
- "Valuation Issues in a Legal Context," *Elon University School of Law Student Legal Society (3/2012)*, Greensboro, NC.
- "The Market Approach: The Guideline Transaction Method," co-presenter/co-developer (with William Kennedy) of national webinar (9/2011) to the *Forensic and Valuation Services Section of the American Institute of Certified Public Accountants (AICPA)*.
- "Local Telephone Company Valuation in a Turbulent Environment," *Annual Conference of the Organization for the Promotion and Advancement of Small Telephone Companies (OPASTO) (1/2011)*, Miami Beach, FL.
- *Wake Forest University Executive MBA Program*. Speaker on business valuation methods, issues, 2007-2010.
- "S Corporation Valuation: The New Battleground in Equitable Distribution," *Family Law Section of North Carolina Bar Intensive Equitable Distribution Seminar (11/2007 and 2/2008)*.
- "The Guideline Public Company Valuation Method" and "The Use of Regression Analysis in Business Valuation," *Kansas Society of CPAs Valuation Conference (11/2007)*, Overland Park, Kansas.
- "Introduction to Business Valuation Methodologies," *North Carolina Association of Certified Public Accountants Continuing Professional Education Seminar*, Kitty Hawk, NC (9/2007).
- "Financial Analysis in Valuation- Realities Versus Generally Accepted Accounting Principles," *Wake Forest University Babcock Graduate School of Management, MBA Program (12/2006)*.
- "Valuing S Corporations," Moderator in National Teleconference for Business Appraisers (6/2006).
- "Business Valuation Issues for Attorneys," *Wake Forest University Joint Law/MBA Program*.
- "Shielding Your FLP/FLLC Against IRS Attack," moderator, National Teleconference for Business Appraisers (6/2005).
- "What Judges Need to Know About Business Valuation," *American Bar Association Annual Conference, Judicial Section (8/2004)*, Atlanta, GA.
- "Valuation Issues for the Family Business," *Estate Planning for the Family Business Owner- American Bar Association/American Law Institute (7/2004)*, Santa Fe, NM.

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- “Valuation of Closely Held Businesses- Avoiding the Pitfalls, Getting the Discounts (and Why Discounts are not Everything- Overlooked Factors Reducing Value),” *23rd Annual Federal Estate Tax Symposium (Overland Park, Kansas) (5/2004)*, University of Missouri (Kansas City) School of Law.
- “Critiquing Valuation Reports in Litigation,” *Family Law Section of North Carolina Bar Intensive Equitable Distribution Topics Training (11/2003 and 2/2004)*.
- Panelist in National Teleconference for Business Appraisers (10/2003) on “Hot Issues on FLPs/LLCs: Reality, Recognition, and Valuation.”
- “Valuing the Closely-Held Business,” *Estate Planning for the Family Business Owner Conference of American Law Institute/American Bar Association (ALIABA) (7/2003)*, Boston, MA.
- “Valuation and Planning Issues Related to the Family Business,” *Estate Planning for the Family Business Owner Conference of American Law Institute/American Bar Association (ALIABA) (8/2002)*, San Diego, CA.
- Panelist in *National Teleconference on S Corporation Valuation (8/2002)*, presented by Business Valuation Resources.
- “Advanced Valuation of Family Limited Partnerships and Limited Liability Companies,” *National Business Valuation Conference of the American Society of Certified Public Accountants (AICPA) (12/2001)*, Las Vegas, NV.
- “Professional License Valuation Voodoo: Junk Science in a Family Law Context,” *International Appraisal Conference, American Society of Appraisers (Summer 2001)*, Pittsburgh, PA.
- “Professional License Valuation Voodoo,” *Family Law Section of North Carolina Bar Intensive Equitable Distribution Topics Training (11/2001 and 2/2002)*.
- “Business Valuation Issues From an Appraiser’s Standpoint: A Valuation Primer,” *North Carolina Bar Association, Estate Planning and Fiduciary Law Section Statewide Annual Meeting, 2000*.
- “Valuation Discounts of Real Estate Assets,” *National Trust Real Estate Association, 2000 Annual Meeting*.
- “Valuation of Family Limited Partnerships,” *International Advanced Business Valuation Conference, 1996, American Society of Appraisers*.
- “Minority and Lack of Marketability Discounts in Closely-Held Company Valuations,” *South Carolina Bar Association, Annual Statewide Meeting, 1998*.
- “Business Valuation Methodologies,” *North Carolina Paralegal Association, 1999*.
- “Contemporary topics and Valuation issues Pertaining to Tax Related Valuations,” *South Carolina Bar Association, Annual Statewide Meeting, 1995*.
- “Valuation Issues Impacting closely-held Companies Faced by Fiduciaries and Trustees,” *Pension, Trust & Employee Benefits Conference (22nd Annual)*, Internal Revenue Service and U.S. Department of Labor.
- “Business Valuation Methodologies and Critiquing Valuation Reports,” *Mecklenburg County Bar Association*.
- “Dealing with IRS Valuation Controversies,” *North Carolina Association of Certified Public Accountants* continuing professional education.
- “Valuation of Closely-Held Companies for Acquisition,” *Duke University Fuqua School of Business*.
- “Business Valuation Issues for Tax Purposes,” *Internal Revenue Service District Legal Counsel’s Office, Greensboro, NC*.
- “The Valuation of Health Care Companies and Medical Practices,” *American Society of Appraisers, Charlotte Branch*.
- “The Valuation of Companies for Venture Capital Purposes,” *The Ben Craig Center, Charlotte, NC*.
- *North Carolina National Bank (now Bank of America)*. Instructor in financial analysis, merger and acquisition analysis, financing and structuring, asset based finance, and revolving credit facilities. Commercial Loan Officer Development and Credit Analyst Programs.
- “Merger and Acquisition and Valuation Issues for Bankers,” *Risk Management Association (RMA), Charlotte Chapter*. RMA is a banking industry association.

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- “Contemporary Medical Practice Valuation Issues,” *South Carolina Medical Association Annual Statewide Meeting (1998)*.
- “Discounts for minority interest and lack of marketability,” *Grand Strand Area Estate Planning Council*.
- “Financial analysis,” *Printing Industry of the Carolinas Association*.
- *North and South Carolina Bar Associations*. Various seminars for continuing legal education on business valuation issues.
- *Valuation seminars* on various valuation issues to law firms and other organizations.

Publications- Books: Contributing Author

- *Valuing Professional Practices and Licenses: A Guide for the Matrimonial Practitioner*, edited by Ronald L. Brown, published by Aspen Law and Business. George Hawkins co-authored (with Terence L. Griswold, ASA) one chapter, “Special Considerations in Valuing Specific Types of Medical Practices,” and authored another chapter, “Professional License Valuation Voodoo: Junk Science in a Family Law Context.”
- *BVR’s Guide to Business Valuation Issues in Estate and Gift Tax (2010)*, Business Valuation Resources, LLC, publisher.

Publications- Books: Technical Review

- Technical Reviewer for *The Cost of Capital: Applications and Examples (10/2010)*, by Roger J. Grabowski, ASA, and Shannon P. Pratt, FASA, CFA, DBA, John Wiley & Sons publisher.
- Technical Reviewer for *The Comprehensive Guide to the Use and Application of Transaction Databases (10/2009)*, by Nancy J. Fannon, ASA, MCBA, CPA, ABV, BVAL, Business Valuation Resources, LLC, publisher.

Articles Published on Business Valuation and Related Issues

- “Personal Versus Practice Goodwill: A Visit to the ‘Plastics’ Doc”, *Family Forum (5/2015)*, Family Law section of the North Carolina Bar Association.
- “The Selective Expert,” *CCH Business Valuation Alert*” (7/2013).
- “S Corporation (and LLC): Added Value Due to Tax Status,” *Family Forum (12/2009)*, Family Law section of the North Carolina Bar Association.
- “Regression Analysis in Valuation Engagements,” *Business Valuation Review (6/2008)*, American Society of Appraisers.
- “The Effective Valuation Interview, Parts 1 and 2,” *CCH Business Valuation Alert (3/2007, 4/2007)*.
- “Active-Passive Appreciation- Valuation Voodoo” in *Shannon Pratt’s Business Valuation Update (5/2005)*.
- “A Sampling of Valuation Cross-Examination Questions” *Family Forum (4/2005)*, Family Law section of the North Carolina Bar Association. A version also appeared in *CCH Business Valuation Alert (2/2005)*, and the *American Journal of Family Law (Winter 2006)*.
- “The Most Common Sins in Faulty Valuations,” *IBA Journal (2/2005)*, The Institute of Business Appraisers.
- “Income Valuation Approach Primer,” *CCH Business Valuation Alert (4/2004)*.
- “Active Versus Passive Appreciation- The Same Old Inflation Argument- But is it Valid?,” *CCH Business Valuation Alert (4/2004)*.
- “Discounts for Built-in Gains in C Corporations- New Hope With the *Dunn Case*,” *The Will & The Way (6/2003)*, Estate Planning & Fiduciary Law section of the North Carolina Bar Association.
- “Top 10 Errors Made in Using the Merged and Acquired Companies Valuation Method,” *CCH Business Valuation Alert (10/2003)*.
- “In Defense of the Merged and Acquired Companies Valuation Method,” *CCH Business Valuation Alert (10/2003)*.

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- “Do Professional Practice Buy-Sell Agreements Represent Fair Market Value?,” *Business Valuation Review* (3/2003), American Society of Appraisers. A version was also published in *Family Forum* (4/2003), Family Law section of the North Carolina Bar Association.
- “Why Time Travel in Business Valuation is Wrong,” *Business Valuation Review* (9/2002), a publication of the American Society of Appraisers. A version was also published in *CCH Business Valuation Alert*.
- “Business Appraisers and Allegations of Accounting Fraud,” *Valuation Compilation* (Fall 2012), National Association of Certified Valuation Analysts.
- “A Gross Result in the *Gross Case*: All Your Prior S Corporation Valuations are Wrong,” *Business Valuation Review* (3/2002), American Society of Appraisers. Jointly authored by George Hawkins and Michael Paschall.
- “Jointly Retained Business Valuations in Disputes,” *Valuation Strategies* (January/February 2002).
- “Guest Abstract- A Gross Result in the *Gross Case*: All Your Prior S Corporation Valuations Are Invalid,” *Judges and Lawyers Business Valuation Update* (1/2002).
- “Jointly-Retained Business Valuations in Matrimonial Disputes,” *The American Journal of Family Law* (Spring 2002).
- “Jointly Retained Business Valuations in Disputes: Making the Process Work,” *Business Valuation Digest*, Canadian Institute of Chartered Business Valuators.
- “Selling Out to a Public Company- Blockage, Restricted Shares, and Value- The Stated Price Versus Reality,” *Business Valuation Digest*, Canadian Institute of Chartered Business Valuators.
- “Public and Private Company Valuation Differences Have Major Valuation Implications,” *Business Valuation Digest* (11/1997), Canadian Institute of Chartered Business Valuators.
- “Understanding the Income Valuation Approach- A Primer for Judges Who Must Hear Valuation Cases,” *Judges and Lawyers Business Valuation Update* (3/2001).
- “Business Appraisers and Accounting Fraud” in *Judges and Lawyers Business Valuation Update* (9/2001).
- “More on the IRS Position on Valuation Discounts” in *The Journal of Taxation* (9/1999), RIA.
- “Professional License Valuation Voodoo” in *CCH Business Valuation Alert* (9/1999).
- “Analyzing a Consolidating Industry: Auto Dealerships,” *CCH Business Valuation Alert* (10/1999).
- “Do Smaller Companies Warrant a Higher Discount Rate for Risk,” *CCH Business Valuation Alert* (12/1999).
- “What Does Industry Consolidation Mean for a Company’s Value?,” *CCH Business Valuation Alert* (2/2000). Co-authored with Gary R. Gerlach, ASA, CFA, also of Banister Financial, Inc
- “Recapitalizing the Closely Held Business for Estate Planning,” *CCH Business Valuation Alert* (2/2000).
- “Simplot Tax Court Ruling Overturned- Estate Planning Attorneys and Business Appraisers Breathe a Sigh of Relief,” *CCH Business Valuation Alert*.
- “Evaluating Valuation Reports and Testimony,” *CCH Business Valuation Alert* (9/2001).
- “Is the Justification for Purchase Test Always Justified?,” *CCH Business Valuation Alert* (2/2000), co-author.
- “Professional License Valuation Voodoo,” *Family Forum*, Family Law section of the NC Bar.
- “Important Business Valuation Developments,” *The Will and the Way*, Estate Planning and Fiduciary Law section of the North Carolina Bar Association.
- “Public Versus Private Company Differences Are Important for Valuation Purposes,” *Fair\$hare* (now *American Journal of Family Law*).
- “Is the Capitalization Rate Reasonable,” *Fair\$hare* (6/1997) (now *American Journal of Family Law*).
- “Business Valuation of Minority Ownership Interests,” *North Carolina Lawyers Weekly* (8/5/1991).
- “Valuation of Closely-Held Businesses,” *The Business Journal* (Charlotte).
- “Valuation an Additional Hurdle In Medical Practice Sales,” *The Business Journal* (Charlotte).
- “Critically Analyzing a Business Valuation: Are the Capitalization Rates Used Reasonable?,” *North Carolina Lawyers Weekly*.

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- “Discounted Cash Flow Business Valuation Methods,” *North Carolina Lawyers Weekly*.
- “The Elements of a Professional Business Valuation,” *North Carolina Lawyers Weekly* (10/5/1992).
- “Minority Ownership Interests in Real Estate,” *North Carolina Lawyers Weekly* (1/6/1992).

Prior Experience

- Corporate Banking, First Citizens Bank.
- Corporate Banking, North Carolina National Bank (now Bank of America).
- Credit Policy (now known as Risk Management), North Carolina National Bank (now Bank of America). Regional responsibility for the analysis and approval of corporate banking, merger and acquisition, working capital, and other financings.
- Operations Planning and Development for North Carolina National Bank (now Bank of America).
- Corporate Banking, Specialized Industries Division. North Carolina National Bank (now Bank of America). Member of loan committee considering credits from the Commodities and Agribusiness, Coal/Public Utilities, Oil and Gas, Financial Institutions, and Forest Products Groups.
- Credit Analyst, World Banking Group, North Carolina National Bank (now Bank of America).

Other Professional Association Memberships and Positions

- Planning Committee, Advanced Business Conference of the American Society of Appraisers (Houston, TX), October 7 to 10, 2017.
- American Society of Appraisers, Charlotte Chapter, Past Chair (2002-2003).
- American Society of Appraisers, Charlotte Branch, Past Chair (1994-1997).