



Michael A. Paschall, ASA, ABV, CFA, JD

Managing Director

Banister Financial, Inc.

1338 Harding Place, Suite 200, Charlotte, NC 28204

Phone: (704) 334-1625 (direct)

email: mpaschall@businessvalue.com Website: businessvalue.com

Michael A. Paschall, ASA, ABV, CFA, JD, is a Managing Director of Banister Financial, Inc., a Charlotte, NC, firm specializing in the valuation of privately-held corporations, partnerships, and professional practices. Valuations are performed for gift and estate taxation, buy/sell agreements, purchase or sale, shareholder disagreements, equitable distribution, and other instances where an independent valuation is required. Since 1986, Paschall has analyzed and valued hundreds of businesses in a wide variety of industries, ranging from small companies and professional practices to large companies with multi-state and international operations.

Professional Association Designations and Memberships

Accredited Senior Appraiser (ASA) in Business Valuation by the American Society of Appraisers (ASA)

Accredited in Business Valuation (ABV) by the American Institute of Certified Public Accountants (AICPA)

Chartered Financial Analyst (CFA) Charterholder

North Carolina State Bar, member (inactive status)

North Carolina Bar Association, member

Estate Planning and Fiduciary Law Section

Family Law Section

Business Law Section

Educational Background

University of North Carolina at Chapel Hill, B.A. in English and Economics

Wake Forest University School of Law, J.D.

Accreditation in Business Valuation

Accredited Senior Appraiser (ASA) in Business Valuation by the American Society of Appraisers (ASA). Certification requirements include five years full time business valuation experience, completion of required courses and examinations, and the submission of two written business valuation reports for review by the International Board of Examiners. Periodic recertification and continuing education is required. The American Society of Appraisers is recognized by the IRS, the courts, and major valuation firms as the leading certifying body of business appraisers.

Accredited in Business Valuation (ABV) by the American Institute of Certified Public Accountants (AICPA). Certification as a qualified finance professional requires holding a bachelor's degree or equivalent, completing the AICPA Code of Professional Conduct and Standards Education for Financial Professionals course, and meeting a business experience threshold of a minimum of

4,500 hours of business valuation experience within the prior five years. Periodic recertification and continuing education is required.

Certification in Financial Analysis

Chartered Financial Analyst (CFA) Charterholder. Successfully completed three year program testing skill, knowledge, and application of ethics and professional standards, financial accounting, microeconomics, macroeconomics, quantitative analysis, capital market theory, equity security analysis, fixed income security analysis, derivative security analysis, asset allocation, and portfolio management.

Author of National Business Valuation Book

George B. Hawkins, ASA, ABV, CFA, and Michael A. Paschall, ASA, ABV, CFA, JD, both of Banister Financial, Inc., are the co-authors of the *Business Valuation Guide* (first published in 1999, twenty-third edition published in 2023). The publisher, Wolters Kluwer (formerly CCH, Incorporated, and, prior to that, Commerce Clearinghouse), is one of the world's largest legal, tax and accounting publishers. The *Business Valuation Guide*, which is marketed nationally, provides comprehensive treatment of complex business valuation issues facing attorneys, accountants, investment banking professionals, and closely held business owners. The publication focuses on the areas of mergers and acquisitions, tax and estate planning, succession issues, family law, shareholder disputes and litigation.

National Positions in Business Valuation

Former Chairman of the Ethics Committee of the American Society of Appraisers. The Ethics Committee investigates complaints against Members alleging conduct contrary to or in violation of the Constitution of the American Society of Appraisers, the Bylaws of the American Society of Appraisers, the Principles of Appraisal Practice and Code of Ethics, the Uniform Standards of Professional Appraisal Practice, the International Valuation Standards, or the Supplemental Professional Standards. The Ethics Committee makes appropriate recommendations to the President and Board of Governors of the American Society of Appraisers.

Former Member of the Tax Reform Task Force of the American Society of Appraisers. The Tax Reform Task Force was established to study the impact on business valuation of the Tax Cuts and Jobs Act that was signed into law on December 22, 2017. The Tax Reform Task Force addresses questions posed by ASA members as to the impact of the new tax law on various business valuation issues.

Former Advisor of the International Board of Examiners of the American Society of Appraisers, Business Valuation Section. As a part of obtaining certification from the American Society of Appraisers, candidates must submit two written valuation reports. One of approximately 30 Examiners initially grades the reports to determine if the reports meet the required business valuation report standards for content, technical competence, and expertise. Once these reports have been initially graded by an Examiner, they are then sent to one of four Advisors for final review and the ultimate acceptable/unacceptable determination.

Former Examiner of the *International Board of Examiners of the American Society of Appraisers, Business Valuation Section.* As a part of obtaining certification from the American Society of Appraisers, candidates must submit two written valuation reports. One of approximately 30 Examiners initially grades the reports to determine if the reports meet the required business valuation report standards for content, technical competence, and expertise.

Court Appointments and Expert Witness Matters

Prior Qualification as an Expert Witness in:

United States District Court
North Carolina Business Court
North Carolina Superior Court
North Carolina District Court
North Carolina binding arbitration and mediation proceedings
South Carolina binding arbitration and mediation proceedings
Swiss Chambers Court of Arbitration and Mediation

Retained by the United States Department of Justice to consult on various business valuation issues.

Graduate-Level Instruction

Guest Lecturer, *Law and Valuation*, Wake Forest University School of Law and the Wake Forest University Babcock Graduate School of Management.
Guest Lecturer, *Merger & Acquisition Law*, Wake Forest University School of Law.

Seminar Presentations: National Business Valuation Conferences

Advanced Business Valuation Conference of the American Society of Appraisers
National Business Valuation Conference of the American Institute of Certified Public Accountants (AICPA)
National Trust Closely Held Business Association

National Teleconference Presentations

Business Valuation Resources Teleconference on Tax Affecting.
Business Valuation Resources Teleconference on Reasonable Compensation.
Business Valuation Resources Teleconference on the *Jelke* Reversal.

Seminar Presentations: Continuing Education

Advanced Planning and Drafting Intensive Program, North Carolina Bar Association CLE
Advanced Equitable Distribution Seminar, North Carolina Bar Association CLE
Annual Estate Planning and Fiduciary Law Program, North Carolina Bar Association CLE
Joint Program of Business Law and Estate Planning, North Carolina Bar Association CLE
Family Law Intensive Seminar, North Carolina Bar Association CLE
American Academy of Matrimonial Lawyers (North and South Carolina sections)
Mecklenburg County Bar, Annual Civil Litigation Forum

Mecklenburg County Bar, Litigating Business Valuation Disputes
Mecklenburg County Bar, Estate Planning Section
Mecklenburg County Bar, Family Law Section
Charlotte Estate Planning Council
The Estate Planning Council of Winston-Salem
Western Piedmont Estate Planning Council
Greenville, SC, Estate Planning Council
Sandhills Tax Roundtable
Land of the Sky Estate Planning Council
Kansas Society of CPAs Business Valuation Conference
Minnesota Society of CPAs Business Valuation Conference
Family Office Education Series, EY
Metrolina Entrepreneurial Council's Capital Access Conference
Business Law Society, Wake Forest University Law School

Publications: Books

Business Valuation Guide (2022), Twenty-Third Edition (released January 2023), co-authored with George B. Hawkins, published by Wolters Kluwer (formerly CCH Incorporated).

Publications: Editorships

CCH Business Valuation Alert (published from 1999-2015) co-editor with George B. Hawkins, published by Wolters Kluwer (formerly CCH Incorporated).

Fair Value, co-editor with George B. Hawkins since 1994, published by Banister Financial, Inc.

Publications: Periodicals

"The 35% 'Standard' Marketability Discount: R.I.P." *CCH Business Valuation Alert*, Vol. 6, Issue No. 2, February 2005, published by CCH Incorporated.

"Back to the Future!" *Business Valuation Review*, Vol. 21, No. 2, June 2002, published by the Business Valuation Committee of the American Society of Appraisers.

"Back to the Future, Part II" *Business Valuation Review*, Vol. 27, No. 3, Fall 2008, published by the Business Valuation Committee of the American Society of Appraisers.

"'Breaking Bad' in the Business Valuation Profession" *Business Valuation Update*, Vol. 24, No. 7, July 2018, published Business Valuation Resources, LLC.

"Business appraisers and allegations of accounting fraud" *Judges & Lawyers Business Valuation Update*, Vol. 3, Issue 9, September 2001, published by Business Valuation Resources, LLC (co-authored with George B. Hawkins).

- “Business Appraisers and Allegations of Accounting Fraud” *The Valuation Compilation*, Vol. VIII, Fall 2002, published by the National Association of Certified Valuation Analysts (co-authored with George B. Hawkins).
- “Calculation Engagements: Still Broken, Still Bad” *Business Valuation Update*, Vol. 25, No. 2, February 2019, published Business Valuation Resources, LLC.
- “Daubert, We Hardly Knew Ye” *Fair Value*, Vol. 13, No. 1, Summer 2004, published by Banister Financial, Inc.
- “A Declaration of Independence” *CCH Business Valuation Alert*, Vol. 3, Issue No. 2, January 2002, published by CCH Incorporated.
- “Determining the Appropriate Discount for Your FLP” *The Will and the Way*, Vol. 17, No. 4, June/July 1998, published by the Estate Planning & Fiduciary Law Section of the N.C. Bar Association.
- “Discounting for Built-In Capital Gains in LLCs, Partnerships and S Corporations” *The Will and the Way*, Vol. 22, No. 4, June 2003, published by the Estate Planning & Fiduciary Law Section of the N.C. Bar Association.
- “Do Smaller Companies Warrant a Higher Discount Rate for Risk?” *CCH Business Valuation Alert*, Vol. 1, Issue No. 2, December 1999, published by CCH Incorporated (co-authored with George B. Hawkins).
- “The Forest and the Tree” *Fair Value*, Vol. 22, No. 1, Spring/Summer 2017, published by Banister Financial, Inc.
- “A Fountain Run Dry Equals Missed Opportunity” *Family Forum*, Vol. 23, No. 2, February 2003, published by the North Carolina Bar Association’s Family Law Section.
- “A gross result in the Gross Case: All Your Prior S Corporation Valuations Are Invalid” *Business Valuation Review*, Vol. 21, No. 1, March 2002, published by the Business Valuation Committee of the American Society of Appraisers (co-authored with George B. Hawkins).
- “A gross result in the Gross case calls into question circumstances in which tax affecting is valid” *Shannon Pratt’s Business Valuation Update*, Vol. 8, No. 1, January 2002, published by Business Valuation Resources, LLC (co-authored with George B. Hawkins).
- “Hambsters” *Fair Value*, Vol. 15, No. 1, Spring 2006, published by Banister Financial, Inc.
- “Identical Twins? Not in Equitable Distribution” *American Journal of Family Law*, Vol. 20, No. 1, Spring 2006, published by Aspen Publishers, Inc.
- “Identical Twins? Not in Equitable Distribution” *CCH Business Valuation Alert*, Vol. 6, Issue No. 4, July 2005, published by CCH Incorporated.

- “Important Business Valuation Developments” *The Will and the Way*, Vol. 21, No. 2, February 2002, published by the Estate Planning & Fiduciary Law Section of the N.C. Bar Association (co-authored with George B. Hawkins).
- “The IRS Does Not Like Your Marketability Discount” *Fair Value*, Vol. 20, No. 2, Summer/Fall 2013, published by Banister Financial, Inc.
- “Is the Justification of Purchase Test Always Justified?” *CCH Business Valuation Alert*, Vol. 1, Issue No. 3, February 2000, published by CCH Incorporated (co-authored with George B. Hawkins and Gary S. Parker).
- “Jointly-Retained Business Valuations in Disputes” *Valuation Strategies*, Vol. 5, No. 3, January/February 2002, published by Warren, Gorham & Lamont, a division of RIA (co-authored with George B. Hawkins).
- “Jointly-Retained Business Valuations in Disputes – Making Sure the Process Works” *Business Valuation Digest*, Vol. 7, Issue 2, November 2001, published by The Canadian Institute of Chartered Business Valuators (co-authored with George B. Hawkins).
- “Jointly-Retained Business Valuations in Matrimonial Disputes” *American Journal of Family Law*, Vol. 16, No. 1, Spring 2002, published by Aspen Publishers, Inc. (co-authored with George B. Hawkins).
- “Kick the Habit: The Excess Earnings Method Must Go!” *Business Valuation Review*, Vol. 20, No. 3, September 2001, published by the Business Valuation Committee of the American Society of Appraisers.
- “Kick the Habit: The Excess Earnings Method Must Go!” *Family Forum*, Vol. 22, No. 5, June 2002, published by the North Carolina Bar Association’s Family Law Section.
- “Marketability Discounts - Is New Really Better?” *Fair Value*, Vol. 19, No. 1, Fall 2009, published by Banister Financial, Inc.
- “Moore is Better!” *Fair Value*, Vol. 21, No. 1, Spring/Summer 2016, published by Banister Financial, Inc.
- “Namby Pamby Hamby” *Fair Value*, Vol. 12, No. 1, Winter/Spring 2003, published by Banister Financial, Inc.
- “New Regs Defuse Gift Tax Return Valuation Time Bomb” *CCH Business Valuation Alert*, Vol. 1, Issue No. 4, April 2000, published by CCH Incorporated.
- “Pass-through entity discounts for built-in capital gains taxes” *Shannon Pratt’s Business Valuation Update*, Vol. 10, No. 5, May 2004, published by Business Valuation Resources, LLC.

“Premium for Voting Stock in *Simplot*: A Reflection of the Real World?” *CCH Business Valuation Alert*, Vol. 1, Issue No. 1, October 1999, published by CCH Incorporated.

“*Rohling* the Dice with a Calculation Engagement” *Business Valuation Update*, Vol. 25, No. 11, November 2019, published Business Valuation Resources, LLC.

“The Selective 'Expert'” *CCH Business Valuation Alert*, Vol. 14, Issue No. 3, July 2013, published by CCH Incorporated (co-authored with George B. Hawkins).

“Some Observations on Tax-Affecting” *Business Valuation Review*, Vol. 24, No. 1, March 2005, published by the Business Valuation Committee of the American Society of Appraisers.

“Value Stock Options for Divorce and Estate Planning” *Family Forum*, Vol. 21, Number 4, April 2001, published by the North Carolina Bar Association’s Family Law Section.

Publications: Contributing Author

BVR’s Guide to Business Valuation Issues in Estate and Gift Tax, published 2010, by Business Valuation Resources, LLC.

Publications: Technical Review

Technical Reviewer for *Fannon’s Guide to the Valuation of Subchapter S Corporations*, published 2008, by Nancy J. Fannon, ASA, MCBA, CPA, ABV, BVAL, published by Business Valuation Resources, LLC.