



## Gary B. Goolsby, CPA\*

Senior Managing Director  
Forensic & Litigation Consulting

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### Education

B.S., Accounting, Louisiana  
Tech University  
M.B.A., Louisiana Tech  
University

### Certifications

Certified Public  
Accountant, Texas and  
Louisiana (CPA)  
Certified in Financial  
Forensics (CFF)

### Associations

Associate Member of  
American Bar Association  
American Institute of  
Certified Public  
Accountants  
Member of International  
Bar Association  
Texas Society of Certified  
Public Accountants

Gary Goolsby has over 48 years of experience in accounting and auditing, risk management, resolving auditor malpractice allegations, investigations, governance, internal controls and business processes, board of directors and regulatory interactions, executive management, expert witness testimony and case consultancy and technical presentations. Mr. Goolsby co-leads the Accountants' Liability Practice and is Chairman of the Energy Steering Committee at FTI Consulting.

Mr. Goolsby has provided professional services to many industries including oil and gas exploration, development, services, refining; mining; financial institutions including brokerage, banks, savings and loans, mortgage banking, insurance; healthcare; not-for-profit; technology; construction and real estate. In addition to serving clients in North America, Mr. Goolsby has experience on a global basis assisting with business and regulatory issues in Asia, Europe and Latin America. He has also served on various U.S. and global committees with representatives from other major professional services firms focusing on ethics, banking, financial reporting, auditing and risk management issues. Mr. Goolsby has made numerous presentations during his career covering a wide range of financial reporting, risk and investigation issues. He has also previously served as liaison to the Professional Liability Litigation and Energy Litigation Committees of the American Bar Association Section of Litigation.

Mr. Goolsby's experience includes involvement in the resolution of various business, accounting, auditing or disclosure issues relating to, among others, revenue recognition, going concern and liquidity, whistleblower allegations, alleged fraud, management integrity and credibility, fraudulent transfers, purchase accounting, retirement plans, financial instruments, stock options, loan loss reserves, post-acquisition disputes, inventory, income taxes, forecasts, bank asset/liability management, financial institution regulatory capital requirements, governance, internal control weaknesses, SEC and financial institution regulatory filings, alleged illegal acts (including anti-corruption) and various types of contingencies. This experience was gained during many crisis periods including the banking, savings and loan and real estate difficulties in the late 1980s and early 1990s; oil and gas industry downturn during the mid-1980s; Asian real estate and financial crisis during the late 1990s; Mexico peso valuation issues during the mid-1990s; bull and dot com market during the late 1990s and financial crisis during the late 2000s. Mr. Goolsby has met frequently with audit committees, boards of directors, Department of Justice, Securities and Exchange Commission and financial institution regulators, discussing these various issues.

Mr. Goolsby's investigation experience includes, among others, investigating inappropriate accounting for income taxes; pricing of crude oil sales between affiliated parties; identification of use of funds by a borrower; tracing of crude oil transactions preceding bankruptcy; Ponzi scheme transactions; inappropriate use of investor funds for

\*FTI Consulting is not a  
CPA firm

condominium project; accounting irregularities related to transactions of a company in China; transactions of U.S. energy companies with other non-U.S. companies; claims related to political risk insurance; accounting irregularities related to revenue recognition; oil and gas partnership accounting; inappropriate behavior by management; misleading forward guidance; violations of anti-corruption regulations including Foreign Corrupt Practices Act, sanction country and United Nations Iraq Oil for Food Program; and inappropriate accounting for granting and pricing of employee stock options. These engagements have involved analyzing company documents; understanding company internal controls and processes; tracing of transactions; interviewing personnel; and interacting with and making presentations to company executive management, internal and external auditors, audit and special committees of the board of directors, Securities and Exchange Commission Enforcement Division, Office of Foreign Asset Control and Department of Justice.

He has also provided expert reports, affidavits and testimony in federal and state courts and in U.S. and international arbitrations relating to insolvency, theft of confidential business information, goodwill accounting, validity of accounts receivable, fraudulent transfers, auditor professional malpractice, governance, internal controls and processes, bank loans, construction bidding processes, accounting for LNG, liquidity and creditworthiness, post-acquisition transaction disputes, accounting for intercompany transactions and investments, fraudulent activities, tracing of cash for potential asset freeze and accounting for and tracing of hydrocarbon products. He has provided expert consultation on various cases including auditor professional malpractice.

Prior to joining FTI Consulting, Mr. Goolsby was a Managing Director for 5 years in the Disputes and Investigations practice of Navigant Consulting. Prior to Navigant Consulting, he served in executive level positions of Chief Financial Officer and President for a Houston financial services company.

Mr. Goolsby was with Arthur Andersen for 28 years, 18 as a partner, serving in various audit partner and leadership roles including:

- Audited companies in oil and gas, brokerage, banking, S&Ls, mortgage banking, insurance, real estate, mining.
- Responsibilities evolved over the years serving in the following roles, among others, during different periods:
  - Financial Markets Audit Practice Director for the Americas and Global Risk Manager for Competency for Depository Institutions.
  - Firm-wide Audit Practice Director for Houston and San Antonio covering all industries.
  - Managing Audit Practice Director for the Americas covering all industries with about 15 Practice Directors reporting to him.
  - Global Managing Audit Practice Director covering all industries with about 30 Practice Directors reporting to him.
  - Managing Partner Global Risk Management for the entire firm, covering all service categories, with about 100 Practice Directors reporting to him.
  - Chairman of Global Risk Management Executive Committee for the Audit Practice.
- The various Practice Director/Managing Partner roles included responsibilities for all industries covering audit methodology and scope of work, financial reporting accounting and disclosure issues, appropriate audit report, going concern, independence issues, engagement acceptance and resignations, partner evaluations, audit malpractice allegations against the firm, etc.
- Served on numerous Arthur Andersen committees; involved in negotiations with the SEC and FDIC on various audit matters; made numerous presentations on accounting, auditing and risk management issues; served on AICPA Ethics Executive Committee for 3 years (Chaired the Independence Behavioral Standards Sub-Committee in AICPA Ethics Division for 3 years); served on AICPA Banking Committee for 4 years; served as Arthur Andersen's representative on Global Risk Committee and Global Steering Committee comprised of 7 largest global audit firms; among others.

## Relevant Experience

### Expert Consulting and Investigations

- Expert consultant regarding investigation of the allocation of lease operating expenses to individual oil and gas properties.
- Expert consultant regarding investigation of fraud occurring at a subsidiary of a company providing equipment services that had to be completed prior to the company emerging from bankruptcy.
- Expert consultant regarding monitoring of financial internal controls for a company post-emergence from bankruptcy.
- Expert consultant regarding investigation of compliance with provisions of lender's loan agreements by a borrower in the oil and gas exploration and production business.
- Expert consultant regarding the accounting for the spin-off of a separate service business from its parent company in the oil and gas service industry.
- Expert consultant regarding investigation of actions of CFO relating to certain loan covenant financial calculations.
- Expert consultant regarding determination of royalty revenue base relating to patent dispute between two international oil and gas service companies.
- Expert consultant regarding investigation of intercompany transfers of assets of an entity to other affiliates and resulting implications on existing loan agreements.
- Expert consulting for the unsecured creditors' committee regarding intercompany activities between certain debtor and non-debtor oil and gas entities in a bankruptcy.
- Expert consulting for the unsecured creditors' committee regarding intercompany activities between certain debtor and non-debtor retail entities in a bankruptcy.
- Expert consultant regarding analysis of travel and entertainment expenses incurred by executives of an oil and gas exploration and production company.
- Expert consultant regarding a Ponzi scheme investigation including extensive forensic analysis of transactions with victims.
- Expert consultant regarding investigation of allegations relating to certain inventory issues for a public retail company.
- Expert consultant regarding internal controls over procurement relating to allegations of improper payments pursuant to the Foreign Corrupt Practices Act for an international oil and gas company, responding to an inquiry by the Securities and Exchange Commission, including meeting with the Securities and Exchange Commission.
- Expert consultant regarding transactions relating to construction of a refinery by an international oil and gas company responding to an inquiry by the Securities and Exchange Commission, including meeting with the Securities and Exchange Commission.
- Expert consultant regarding push down accounting for certain loan and hedging activities to an affiliate in the oil and gas exploration and production industry.
- Expert consultant regarding determination of blended fuel oil resulting from purchases and sales to certain customers.
- Expert consultant regarding damages relating to allegations of wrongful termination of a company's president.
- Expert consultant regarding certain allegations relating to bidding of construction contracts and use of funds by an educational institution.
- Expert consultant regarding testing and analysis of crude oil prices, freight charges and procurement procedures for certain refinery operations.

- Expert consultant regarding certain earnout provisions relating to an acquisition by a refinery operation.
- Expert consultant regarding allegations of violations of accounting provisions of representations, warranties or covenants included in a sale and purchase agreement for a portion of a U.S. public company purchased by a foreign entity.
- Expert consultant regarding a special investigation of travel and entertainment expenses incurred by the CEO of a company.
- Expert consultant regarding a special investigation of certain costs and expenses incurred by a borrower relating to a troubled loan from an investor.
- Expert consultant regarding auditor malpractice issues relating to an audit in the financial services industry.
- Expert consultant regarding Big 4 auditor (two partners and a manager) malpractice issues relating to an audit in the real estate industry.
- Expert consultant for two matters regarding auditor malpractice issues relating to audits in the investment fund industry.
- Expert consultant regarding potential SEC Wells audit malpractice allegations relating to an audit of a construction company in the oil and gas service industry.
- Expert consultant relating to anti-corruption compliance and investigation issues in Mexico for a public international company.
- Expert consultant regarding anti-corruption analyses of transactions and related activities in Mexico of certain subcontractors of a public international oil and gas service company.
- Expert consultant regarding an SEC Enforcement matter relating to certain business transactions of a company in China.
- Expert consultant relating to certain oil and gas product transactions of U.S. energy companies with other non-U.S. companies.
- Expert consultant regarding determination of appropriate accounting and identification of internal control over financial reporting weakness for a publicly owned company providing construction/repair services in order to restate financial statements post spin-off.
- Expert consultant in a special investigation relating to Foreign Corrupt Practices Act matters in Angola for a public international oil and gas service company.
- Expert consultant relating to use of investor funds for investment in a condominium project.
- Expert consultant regarding analysis of transactions of an oil and gas partnership for consistency with partnership agreement.
- Expert consultant to an insurance company relating to analyses of two political risk insurance claims submitted by a public international oil and gas company.
- Expert consultant to a public international oil and gas company relating to an analysis of a political risk insurance claim submitted to an insurance company.
- Expert consultant regarding accounting for income taxes in a special investigation of whistleblower allegations for a public international company.
- Expert consultant in a special investigation relating to certain whistleblower revenue allegations and external auditor interactions shadowing the investigation for a professional sports team.
- Expert consultant in a special investigation regarding determination of weaknesses in internal controls of an offshore exploration and production public company relating to actions of an information technology services company.
- Expert consultant regarding appropriate basis of accounting for certain oil and gas producing properties.

- Expert consultant relating to a borrower's allegations against a significant U.S. bank regarding a loan for nursery plants and flowers.
- Expert consultant in a special investigation relating to allegations of misleading forward guidance by a public real estate company.
- Expert consultant regarding losses in oil and gas investments in the U.S. experienced by certain foreign investors.
- Expert consultant to the Securities and Exchange Commission regarding violations of the Foreign Corrupt Practices Act by a U.S. registrant.
- Expert consultant in a special investigation relating to authorization, granting and pricing of employee stock options for a public software company.
- Expert consultant in a special investigation relating to authorization, granting and pricing of employee stock options for a public oil and gas service company.
- Expert consultant in a special investigation relating to authorization, granting and pricing of employee stock options for a public specialty environmental company.
- Expert consultant in a special investigation relating to Foreign Corrupt Practices Act matters for a public international oil and gas service company.
- Expert consultant in a special investigation relating to the United Nations Oil for Food Program for a public international company.
- Expert consultant in a special investigation relating to sanctioned country matters for a public international company.
- Expert consultant in a special investigation relating to a revenue restatement issue for a public company in the oil and gas services industry.
- Expert consultant regarding enhancing processes and internal controls for a large oil refiner.

#### **Financial Consulting**

- Involved in the resolution of various business, accounting, auditing or disclosure issues relating to a wide range of financial matters including, among others, auditor malpractice, revenue recognition, going concern and liquidity, alleged fraud, management integrity and credibility, purchase accounting, retirement plans, income taxes, inventory, financial instruments, stock options, loan loss reserves, forecasts, bank asset/liability management, financial institution regulatory capital requirements, governance, internal control weaknesses, SEC and financial institution regulatory filings, alleged illegal acts (including anti-corruption), various types of contingencies and appropriate audit reports. Various industries involved including oil and gas exploration, development, services, refining; financial institutions including brokerage, banks, savings and loans, mortgage banking, insurance; healthcare; not-for-profit; technology; construction and real estate.
- Frequent meetings with audit committees, boards of directors, Department of Justice, Securities and Exchange Commission and financial institution regulators discussing various issues.

#### **Expert Reports/Testimonies/Affidavits/Mediations**

- Expert reports, deposition (April 6, 2017) and trial (before Administrative Law Judge) testimonies regarding Big 4 audit partner malpractice issues relating to an audit in the investment industry, March, April and May 2017. In the Matter of Adrian D. Beamish, CPA, SEC Administrative Proceeding File No. 3-17651.
- Expert reports, deposition and arbitration testimonies regarding Big 4 auditor malpractice issues relating to an audit in the investment industry, February, March, April and May 2015.
- Expert report and deposition testimony regarding Big 4 auditor malpractice issues relating to an audit in the international oil and gas industry, May and June 2016.

- Expert reports regarding auditor malpractice allegations by a banking regulator relating to an audit of a bank, October and December 2017, and meeting with the banking regulator to discuss the expert reports, January 2018.
- Expert reporting to mediator and opposing counsel regarding auditor malpractice issues relating to an audit of a government contractor, March 2022.
- Expert designation, including opinions for interrogatory responses, and deposition testimony in state court regarding auditor malpractice issues relating to an audit in the investment industry, October 2015, February and March 2016.
- Expert affidavit, expert report, deposition and arbitration testimonies regarding auditor malpractice issues relating to an audit in the life insurance industry, November 2017, March, June and August 2018.
- Expert report and deposition (July 10, 2018) testimony relating to purchases and sales of crude oil and related priority of loan payments to a bank rather than to producers of crude oil by a company that ultimately filed for bankruptcy, June and July 2018. Connect Transport, L.L.C., et al., Debtors; White Operating Company, et al. v. Bank of America, N.A., et al., United States Bankruptcy Court, Northern District of Texas, Dallas Division, Chapter 7 Case No. 16-33971-11-hdd, Adversary No. 16-03158.
- Expert report and trial testimony relating to receivables due from a municipality relating to services rendered by a company providing disaster relief administrative assistance, June and September 2018. CDM Smith Inc. v. City of Galveston and Sterling W. Patrick, Director, Department of Grants and Housing, District Court of Galveston County, Texas, 56<sup>th</sup> Judicial District, Cause No. 13-CV-0844.
- Expert report and deposition (January 16, 2019) testimony relating to organizational, operational and accounting characteristics of an oil and gas exploration and production subsidiary within a corporate structure regarding calculation of royalty payments on sales of oil, natural gas and natural gas liquids, December 2018 and January 2019. Henceroth, et al. v. Chesapeake Exploration, LLC, United States District Court, Northern District of Ohio, Eastern Division, Case No. 4:15-cv-02591-BYP.
- Expert designation and deposition (March 21, 2019) testimony regarding bidding processes of an international construction company relating to an oil and gas production facility, February and March 2019. TechnipFMC PLC v. Samik Mukherjee and McDermott International Inc, District Court of Harris County, Texas, 164<sup>th</sup> Judicial District, Cause No. 2018-53084.
- Expert report and deposition (December 3, 2019) testimony regarding accounting for impairment of goodwill and preparation of forward earnings guidance relating to a publicly owned hospital, October and December 2019. Zwick Partners, LP and Aparna Rao, Individually and on Behalf of All Others Similarly Situated v. Quorum Health Corporation, Community Health Systems, Inc., Wayne T. Smith, W. Larry Cash, Thomas D. Miller and Michael J. Culotta, United States District Court, Middle District of Tennessee, Nashville Division, No. 3:16-cv-02475.
- Expert report and testimony before Tribunal for ICC international arbitration relating to availability of funds and credit creditworthiness of the buyer regarding the failed consummation of a purchase in a foreign country, February and March 2020.
- Expert report and Federal Court preliminary injunction trial testimony regarding tracing of cash and related tracing methodologies relating to alleged inappropriate use of cash received by a contractor from a customer and attempt to freeze assets of the contractor, May and June 2020. Toshiba International Corporation v. Sudhakar Kalaga, et al., United States District Court, Southern District of Texas, Houston Division, No. 4:19-cv-04274.
- Expert report and deposition (November 17, 2020) testimony regarding alleged override of internal controls by executive relating to termination of executive by public company in technology industry, August and November 2020. Lynne Houserman v. Comtech Telecommunications Corporation, Fred Kornberg and Michael D. Porcelain, United States District Court, Western District of Washington at Seattle, No. 2:19-cv-00644-RAJ-BAT.
- Expert reports and deposition (January 21, 2021) testimony regarding alleged inflated revenue, misrepresentations and circumvention of internal controls by an executive in the technology industry, December 2020 and January 2021.

Securities and Exchange Commission v. Eric Pulier, United States District Court, Central District of California, Western Division, No. 2:17-cv-07124.

- Expert report, deposition and Federal Court trial testimonies in areas of fraudulent transfers, reasonably equivalent value, liquidity, insolvency and use of lender funds relating to oil and gas drilling rig program, 2007-2008. Biliouris, et al. v. Sundance Resources Inc., et al., United States District Court, Northern District of Texas, Dallas Division, No. 3:2007cv01591.
- Expert reports, deposition and arbitration testimonies relating to accounting for hydrocarbon products, July, August, September and October 2013.
- Expert reports and deposition (August 17, 2021 and October 12, 2021) testimony relating to validation and supporting documentation of vendors for invoices billed to a large not-for-profit entity in accordance with a services agreement, June and August 2021. National Rifle Association of America, et al. v. Ackerman McQueen, Inc., et al., United States District Court, Northern District of Texas, Dallas Division, No. 3:19-CV-02074-G. Expert designation in municipal court regarding billing processes, invoice support, audit rights and contract damages pursuant to a services agreement of a vendor with its not-for-profit client, January 2020.
- Expert report and deposition testimony regarding governance, internal controls and processes in anti-corruption litigation against former executive of public company, 2014. Securities and Exchange Commission v. Mark A. Jackson and James J. Ruehlen, United States District Court, Southern District of Texas, Houston Division, No. 4:12-cv-00563.
- Expert report, witness affidavit, deposition (March 9, 2017) and trial testimonies regarding certain alleged damages relating to the purchase of a fuel oil supply operation, February, March and November 2017. Aegean Marine Petroleum Network Inc. and Aegean Bunkering (USA) LLC v. Hess Corporation, Supreme Court of the State of New York, County of New York, Index. No. 653887/2014.
- Expert reports, deposition (December 19, 2017) and trial testimonies regarding certain damages and related party transactions relating to an investment in certain real estate operations of a public company, September 2015, February, September, October, December 2017 and May 2021. David M. Clapper, et al. v. American Realty Investors, Inc., et al., United States District Court, Northern District of Texas, Dallas Division, No. 3:14-cv-0270-P.
- Expert report, declaration and deposition (September 6, 2018) testimony regarding insolvency determination on a GAAP basis relating to audit committee decisions for a company in the financial services industry that ultimately filed for bankruptcy, July, August and September 2018. Life Partners Creditors' Trust and Alan M. Jacobs, as Trustee for Life Partners Creditors' Trust, v. Tad M. Ballantyne, Fred Dewald, and Harold E. Rafuse, United States District Court, Northern District of Texas, Fort Worth Division, Civil Action No. 4:16-cv-00254-O.
- Expert report and arbitration testimony relating to determination of revenue for percentage rent calculation pursuant to a lease agreement in the gaming industry, June 2021 and October 2021.
- Expert report and deposition testimony (May 18, 2022) regarding determination of appropriate EBITDA computation used in the valuation of a call to be paid in a preferred stock transaction with the other owner relating to a company in the energy industry, April 2022. Power Investments, LLC vs. Cardinals Preferred, LLC, United States District Court, Eastern District of Missouri, Eastern Division, Case No. 4:21-cv-01022-SEP.
- Expert report regarding the denial by insurance carriers of directors and officers insurance coverage for an oil and gas service company relating to certain anti-corruption issues, February 2022.
- Expert report regarding internal controls of a not-for-profit bank customer relating to fraudulent banking activities of the Executive Director of the not-for-profit, September 2021.
- Expert reports regarding insolvency determinations relating to a company in the financial services industry that ultimately filed for bankruptcy, December 2017 and February 2018.

- Expert reports regarding audit malpractice issues relating to an audit in the oil and gas industry alleged by the PCAOB against an audit partner, July and August 2021.
- Expert designation regarding audit malpractice issues relating to an audit of a professional services firm alleged by an investor, July 2021.
- Affidavit regarding obtaining documents in discovery consistent with those needed in conducting an audit in accordance with Generally Accepted Auditing Standards, July 2017.
- Expert report for international arbitration relating to allegations of violations of corruption and accounting provisions of representations and warranties included in a share purchase and sale agreement for the sale of a company in a foreign country, November 2017.
- Expert designation in state court regarding bank lending practices for a residential real estate loan, August 2018.
- Expert reports regarding certain damages relating to theft of confidential marketing and financial information of a lending institution, July and November 2016.
- Expert report regarding certain damages relating to theft of customer information and loan practices of a lending institution, February 2019.
- Expert report regarding certain damages relating to theft of customer information of a lending institution, September 2017.
- Expert report regarding certain damages relating to financial transactions of an energy trading company with a financial institution, October 2014.
- Expert report regarding internal controls applicable to capitalized oil and gas exploration costs for a public oil and gas company relating to an inquiry by the Securities and Exchange Commission, November 2016.