

Stuart M. Douglas, Affiliate, Froese Forensic Partners Ltd.

55 University Avenue, Suite 1000
Toronto, Ontario, M5J 2H7 CANADA
direct:
main: 416.364.6400
fax: 416.364.6900
email: sdouglas@froese forensic.com

BIO/SUMMARY

Stuart Douglas, FCA, CA•IFA

Stu is an Affiliate of Froese Forensic Partners, bringing his more than 20 years of experience in investigative and forensic accounting and six years as chief compliance officer and chief ethics officer in Canada's largest CA firm to his role in FFP. Stu Douglas' activities are directed towards investigations, assessment of economic damages and forensic and investigative accounting matters in the civil, criminal and corporate areas. Mr. Douglas has given evidence in the appropriate courts for civil, criminal and bankruptcy matters in the provinces of Ontario and Quebec.

PROFESSIONAL EXPERIENCE

Stu retired from the partnership of Deloitte & Touche LLP, Canada in May 2010.

Stu Douglas practiced with Deloitte in the Forensic and Investigative Accounting and Commercial Litigation area for over twenty years. From 1982 to 1984, Stu practiced as a Forensic Accountant with Lindquist Holmes & Co (now Navigant). In 1982 he returned to Deloitte and continued his practice as an Investigative and Forensic Accountant.

Stu Douglas' activities are directed towards investigations, assessment of economic damages and forensic and investigative accounting matters in the civil, criminal and corporate areas. Mr. Douglas has given evidence in the appropriate courts for civil, criminal and bankruptcy matters in the provinces of Ontario and Quebec.

In June, 2004, Stu Douglas became the first appointed Chief Compliance Officer and Chief Ethics Officer for Deloitte & Touche LLP, Canada. He was subsequently appointed as the Chief Privacy Officer and Chief Anti-Money Laundering Officer for the Canadian firm. Stu held these positions until his retirement from Deloitte in 2010.

In this role at Deloitte, Mr. Douglas focused on ensuring that the policies and procedures of the firm were developed and/or were current with respect to mitigating risk issues related to the Independence of personnel and the Firm, compliance with its Code of Conduct, compliance with the regulatory requirements of the Anti-Money Laundering and Privacy legislation, and compliance with other elements of Risk Management for the Firm.

Arbitration Experience

Mr. Douglas has acted as an Arbitrator on two occasions pursuant to his appointment through a selection process by the two parties in dispute over the interpretation of the financial terms and implications of a Contract/Agreements. Mr. Douglas presided over the Arbitrations and rendered written Decisions following the conclusion of the Hearings.

Specific Engagements

The following highlight the types of engagements that have been performed by Stu Douglas:

- Investigations into real estate development companies involved in the construction of commercial centres. The investigations required a review of the propriety of construction expenditures pursuant to construction agreements and contracts;
- Interpretation of clauses contained in letter agreements and leases, including the specific interpretation of the impact on common-area expenses for various malls;
- Investigation into misrepresentations to the public/investor related to real estate transactions involving non-arm's length purchases and sales, misuse of funds, theft of moneys;
- Quantification of economic damages relating to breaches of, or dispute over, commercial contracts;
- Issues relating to acceptable accounting and auditing standards and practices;
- Quantification of business losses resulting from personal injury situations;
- Various files involving the quantification of loss of profits for the issue being litigated;
- Quantification of damages resulting from breach of fiduciary duties by former employees of corporations;
- Quantification of loss of profits resulting from an injunction placed against a corporation and subsequently dissolved;
- Quantification of corporate loss of profits stemming from an interruption of business operations;
- Investigations into transactions to determine whether cause of action exists for claims against the Directors and Officers of a corporation and the quantification of damages related to the events;
- Investigation into mismanagement of client funds by a portfolio investment manager;
- Investigation into a multi-million dollar loss by a significant financial institution through its dealings with a failed stock brokerage house;
- Investigations into transactions of failed financial institutions that operated nationally and internationally. The investigations were conducted to assist with asset tracing, asset recovery and litigation against third parties. These investigations required a review of transactions and visitations to the U.K., Cayman, Switzerland and Indonesia to review books, records and documents;
- Investigation into matters requiring a financial analysis related to the movement of funds, inventory, fixed assets, misrepresentation of the value of receivables or other assets; non-disclosure of assets or of liabilities. Some of the files were to assist in criminal investigations that were already under way, other reviews caused criminal investigations to be undertaken subsequent to our review and findings;
- Investigations into activities of individuals resulting in losses to the corporation. Financial analyses of the losses to assist in recovery of funds through civil proceedings and/or bond claims;

- Valuations for various corporations relating to:
 - purchase or sale of a company
 - matrimonial disputes
 - tax-planning issues
 - shareholder agreements;
- Financial reviews for the purpose of assisting either a purchaser or vendor in the following industries:
 - processor of food products
 - insurance companies
 - manufacturing concerns
 - distributors;
- Investigations of a financial nature for various corporate clients to assist with:
 - assessing possible breaches of agreements and the related quantum
 - confirmation of compliance pursuant to agreements in place;
- Assist in various solvency related matters - sale of a corporation, financial review for possible restructuring alternatives, and assist in recovery of funds for creditor or creditors.

EDUCATION

CA•IFA, Designated Specialist in Investigative and Forensic Accounting, 2000

FCA, Institute of Chartered Accountants of Ontario, 2000

Trustee in Bankruptcy, 1981-2009

CA, Institute of Chartered Accountants of Ontario, 1975

BSc, Brock University, 1971

PROFESSIONAL MEMBERSHIPS AND ASSOCIATIONS

Institute of Chartered Accountants of Ontario

Member of the Alliance of the CICA – Investigative and Forensic Accounting Interest Group

Past Board member of the Toronto chapter of Association of Certified Fraud Examiners

Past Chair and current member of the CICA's Alliance for Excellence in Investigative and Forensic Accounting

Past Treasurer and past member of Board of Governors - St. Clement's School

Past Board member of Goodwill - Toronto

PUBLICATIONS AND SPEAKING ENGAGEMENTS

1999 – Presentation – “Investigating and Resolving Allegations of Conflicts of Interest” – Association of Certified Forensic Investigators

1997 – Presentation – “Fraud in the 90’s and Beyond” – The Cayman Islands Government’s 1997 Commercial Crime Prevention Conference

1994 – Monograph – Deloitte & Touche Publication – “Fraud and its Impact on Corporations”

1994 – Speaker and Author of Paper – “Nature of Business Fraud and Its Growing Impact on Canadian Companies” – Insight Conference

1993 – Speaker and Author of Paper – “Proof and Calculation of Damages or Loss Arising from a Breach of Fiduciary Duty” – Insight Conference

1991 – Speaker – “Practical and Forensic Issues in the Proof of Commercial Litigation Damages” – Insight Conference