

BEFORE THE KANSAS CORPORATION COMMISSION

AUG 30 2005

Susan K. Duffy Docket Room

Application of Sprint Nextel Corporation)
for Approval of the Transfer of Control of)
United Telephone Company of Kansas,)
United Telephone Company of Eastern)
Kansas, United Telephone Company of)
Southcentral Kansas, Sprint Missouri, Inc.)
d/b/a United Telephone Company of)
Southeastern Kansas and Sprint Long)
Distance, Inc. From Sprint Nextel)
Corporation to LTD Holding Company.)

Docket No. 06-SCCC-200-MIS

TESTIMONY OF GLENN R. DANIEL

ON

BEHALF OF

SPRINT NEXTEL CORPORATION

[PUBLIC VERSION]

AUGUST 30, 2005

THIS TESTIMONY IS BEING PROVIDED SOLELY IN CONNECTION WITH THE ABOVE-REFERENCED PROCEEDING AND MAY NOT BE RELIED UPON BY ANY PERSON OR ENTITY FOR ANY OTHER PURPOSE

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Glenn R. Daniel. My business address is Houlihan, Lokey, Howard & Zukin
3 Financial Advisors, Inc, One Sansome Street, 17th Floor, San Francisco, CA 94104.

4 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

5 A. I am employed as a Managing Director at Houlihan, Lokey, Howard & Zukin Financial
6 Advisors, Inc. (“HL”). HL is an international investment bank established in 1970. HL
7 provides a wide range of services, including mergers and acquisitions, financing,
8 financial opinions and advisory services, and financial restructuring. HL has rendered in
9 excess of one hundred opinions addressing the impact of transactions on the capital
10 adequacy of companies. These opinions have been accepted by boards of directors, by
11 lenders, by regulators and tested in legal proceedings. Attached hereto as Exhibit GRD-1
12 is a further description of HL as well as a summary of my personal experience.

13 **Q. PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**
14 **EXPERIENCE IN CORPORATE FINANCE.**

15 A. I have worked in investment banking providing financial advisory services, including
16 capital adequacy analysis, for the past 17 years. As a Managing Director in the San
17 Francisco office of HL, I direct San Francisco regional office operations, supervise
18 financial opinion and corporate finance engagements, and I am a senior member of the
19 firm’s Technology Group. My educational background includes a B.A. in Economics and
20 German, with distinction, from the University of Wisconsin. I have earned an M.S. in

1 Finance from the University of Wisconsin, Graduate School of Business, and I am also a
2 Chartered Financial Analyst and registered NASD General Securities Principal.

3 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

4 A. HL has been asked to evaluate certain aspects of the separation of Sprint's incumbent
5 local wireline operations ("LTD Holding Company" or "Company") from its parent
6 company (as further described in the Application of Sprint Nextel Corporation ("Sprint")
7 for Approval of the Transfer of Control) from a financial point of view. In particular we
8 have performed an independent valuation of LTD Holding Company and analyzed
9 certain financial information regarding the capitalization of LTD Holding Company
10 subsequent to the separation and its impact on the ability of the Company to pay its debts
11 as they become due. Attached to my testimony as Exhibit GRD-2 is the "Report to Sprint
12 Nextel Corporation", which represents the complete analysis and valuation undertaken by
13 HL on behalf of Sprint ("Sprint Report"). The purpose of my testimony is to sponsor the
14 Sprint Report as part of the separation application to demonstrate the financial strength of
15 LTD Holding Company as an independent stand alone entity.

16 **Q. PLEASE SUMMARIZE THE DEVELOPMENT OF THE ANALYSIS AND**
17 **VALUATION CONTAINED IN THE REPORT.**

18 A. Although the separation will not take place until the receipt of all necessary approvals,
19 for purposes of our analysis, we have assumed that the Transaction will occur on June 1,
20 2006. To complete our valuation we have utilized projected financial statement
21 information regarding the expected financial condition of LTD Holding Company as of

1 June 1, 2006 supplied by LTD Holding Company management, and assumed economic,
2 market and financing conditions are the same as of today.

3 LTD Holding Company management provided financial projections for LTD Holding
4 Company through fiscal year 2007 approved by LTD Holding Company management as
5 part of their ongoing business operations (“Three Year Projections”) (Sprint Report,
6 Executive Summary - Tab 1, Contents of Report and Other Matters, page 3; Transaction
7 Overview - Tab 2, page 14 – fiscal years 2005-2007). Although we have not
8 independently verified the accuracy and completeness of the Three Year Projections or
9 their underlying assumptions, nothing has come to the attention of our personnel working
10 on this engagement during the course thereof that has caused us to believe, based on our
11 best professional judgment, that it was unreasonable for us to utilize and rely upon the
12 projections as part of our analysis.

13 In addition, HL independently undertook solely for purposes of this analysis to extend the
14 Three Year Projections to 2010. (Id.) The extension for 2008 to 2010 was not developed
15 by Sprint management and is not part of the projections approved by Sprint management:
16 nevertheless, Sprint does not believe that it is unreasonable for HL to utilize the extended
17 forecasts for purposes of its evaluation. HL developed the extension by trending from the
18 Three Year Projections utilizing publicly available information relating to
19 telecommunication industry and forecasts for use solely in the Cashflow Test, as
20 hereinafter defined.

1 Finally, we understand that Sprint has obtained indicative ratings for LTD Holding
2 Company from major ratings agencies.

3 **Q. WHAT ARE THE PRIMARY CONSIDERATIONS IN DETERMINING**
4 **WHETHER A COMPANY HAS ADEQUATE CAPITAL?**

5 A. The typical analysis of adequate capital examines both the value of a company's assets
6 relative to its liabilities, and its projected cash flows relative to its operating requirements
7 (Sprint Report, Methodology – Tab 4, Capital Tests Methodology, Reasonable Capital
8 Test, page 47). The analysis is conducted under the assumption that the transaction has
9 been consummated as proposed. The analysis we concluded can be summarized as
10 follows:

- 11 (a) The fair value of LTD Holding Company's assets in the
12 aggregate;
- 13
14 (b) Whether the fair value of LTD Holding Company's assets
15 would exceed its stated liabilities and identified contingent
16 liabilities (referred to as the "Balance Sheet Test");
- 17
18 (c) Whether LTD Holding Company should be able to pay its
19 debts as they become absolute and mature while (i) continuing
20 to generate sufficient cash to re-invest in the business at a level
21 indicated by the Company necessary to maintain the current
22 level of service, and (ii) paying dividends in accordance with
23 the planned dividend policy which the Company believes is
24 commensurate with industry peers and after consideration of a
25 commercially reasonable level of refinancing (referred to as the
26 "Cashflow Test"); and
- 27
28 (d) Whether the capital remaining in LTD Holding Company after
29 the Transaction would be reasonable for the business in which
30 it is engaged, as management has indicated it is proposed to be
31 conducted following the consummation of the Transaction
32 (referred to as the "Reasonable Capital Test").

1 The fair value of a company's assets is defined as "the amount that may be realized if a
2 company's aggregate assets (including goodwill) are sold in their entirety with reasonable
3 promptness in an arm's length transaction under present conditions for the sale of
4 comparable business enterprises, as such conditions can be reasonably evaluated."

5 Being "able to pay its debts as they become absolute and mature" means that, assuming
6 the transaction has been consummated as proposed, the company's financial forecasts
7 indicate positive cash flow for such period, including (and after giving effect to) the
8 payment of installments due under loans made pursuant to the indebtedness incurred in
9 the transaction, as such installments are scheduled at the close of the transaction, after
10 consideration of a commercially reasonable level of refinancing."

11 To assess whether the capital remaining in a company is not unreasonably small requires
12 a subjective analysis of the results of the Balance Sheet Test and the Cashflow Test. The
13 analysis includes consideration of various factors including: (i) the degree of sensitivity
14 to revenue growth or decline and margin assumptions demonstrated in the Cashflow Test;
15 (ii) the historical and expected volatility of asset values; (iii) the maturity structure of the
16 company's fixed obligations; (iv) the magnitude, timing, and nature of contingent
17 liabilities; (v) the prevalent capital structures within the industry; and (vi) the amount of
18 flexibility allowed by the financial covenants in the credit agreements. The size of LTD
19 Holding Company and the diversity of its wireline assets across eighteen states are
20 important factors in performing the Reasonable Capital test.

1 **Q. WHAT METHODS ARE EMPLOYED TO ESTIMATE THE FAIR VALUE OF**
2 **ASSETS OF A COMPANY?**

3 A. We employed three approaches that are commonly used by investors and analysts in the
4 valuation of companies (Sprint Report, Methodology – Tab 4, Valuation Methodology,
5 pages 38-43).

6 First, in the Market Multiple Approach we derive valuation multiples from a group of
7 comparable publicly traded companies. Upon a comparison of the subject company to
8 the comparable companies across a number of qualitative and quantitative factors, we
9 select multiples to apply in the valuation of the subject company.

10 Second, in the Comparable Transaction Approach we derive valuation multiples from
11 precedent transactions within the industry representing the sale of comparable companies
12 or assets. Similarly, based upon a comparison of the subject company to those companies
13 involved in industry transactions, we select multiples to apply in the valuation of the
14 subject company.

15 Finally, in the Discounted Cash Flow Approach, utilizing the financial projections
16 prepared by management of the Company, we calculate the net present value of all future
17 expected cash flows. Cash flows are discounted to the present at a risk-adjusted discount
18 rate, which is measured as the industry weighted average cost of capital. At the final year
19 of the projections, we estimate a terminal value using a valuation multiple in a similar
20 fashion to the first two approaches. This terminal value is also discounted to the present.

1 The conclusion of the fair value of the Company (or its assets in the aggregate) is
2 determined by taking into consideration the indicated values from the above three
3 approaches.

4
5 **Q. IS BOOK VALUE OF EQUITY A RELEVANT INDICATOR OF FAIR VALUE**
6 **FOR THE COMPANY'S ASSETS?**

7 A. In this case, no. In certain situations, for example with financial institutions, book value
8 (or a multiple thereof) is often utilized in valuation analyses. However, for operating
9 companies, including telecommunication companies, book value of equity is often a
10 function of accounting conventions and historical accounting treatment and is not a
11 directly applicable figure for valuation purposes. Book value results from the myriad
12 accounting rules and often has no direct correlation to fair value. This can be observed in
13 the marketplace where companies with negative book equity values have positive and
14 substantial market equity values.

15 **Q. BASED ON THE CURRENT INTENTIONS OF SPRINT CORPORATION**
16 **REGARDING THE SEPARATION OF THE LOCAL TELECOMMUNICATIONS**
17 **DIVISION, INCLUDING THE ANTICIPATED DEBT AND DIVIDEND LEVELS**
18 **OF LTD HOLDING COMPANY, WHAT ARE YOUR SUMMARY**
19 **CONCLUSIONS?**

20 A. Based on our valuation analysis, the fair value of the assets of LTD Holding Company is
21 reasonably stated in the range of *****Begin Confidential [REDACTED] End**
22 **Confidential***** to *****Begin Confidential [REDACTED] End Confidential***** (Sprint
23 Report, Valuation Analysis - Tab 5, Valuation Summary, page 50). Further, it is our
24 conclusion that LTD Holding Company, assuming that the transaction is consummated as
25 proposed, passes the previously described tests relating to adequate capital. The

1 estimated fair value of the assets exceeds the pro forma debt *****Begin Confidential** ██████████
2 ████████████████████ **End Confidential***** of \$7.3 billion. LTD Holding Company
3 should be able to pay its debts as they become absolute and mature, after consideration of
4 a commercially reasonable level of refinancing, while (i) continuing to generate sufficient
5 cash to re-invest in the business at a level indicated by the Company necessary to
6 maintain the current level of service, and (ii) paying dividends in accordance with the
7 planned dividend policy which the Company believes is commensurate with industry
8 peers. Finally, after review of the previously cited factors we concluded the capital
9 remaining in LTD Holding Company is not unreasonably small for the business in which
10 it is engaged (Sprint Report, Capital Tests – Tab 6, pages 65-68).

11 **Q. IS THE ANTICIPATED LEVEL OF DEBT OF LTD HOLDING COMPANY**
12 **AFTER THE SEPARATION WITHIN THE LEVELS THAT CAN BE**
13 **OBSERVED FOR SIMILAR INDUSTRY PARTICIPANTS?**

14 A. Yes. Investors, analysts and rating agencies examine a number of leverage ratios when
15 assessing the creditworthiness of a company. These ratios often include (i) total debt to
16 EBITDA (earnings before interest, taxes, depreciation and amortization), (ii) fixed charge
17 coverage defined as (EBITDA-capital expenditures)/annual interest payments, and (iii)
18 total debt to enterprise value (defined as market value of equity, plus debt and preferred
19 stock, less cash). LTD Holding Company is expected to have a debt to EBITDA ratio of
20 approximately *****Begin Confidential** ██████████ **End Confidential***** at the time of the
21 separation. This is a *****Begin Confidential** ████████████████████ **End Confidential***** of
22 leverage as compared to the selected comparable companies, which have an average debt
23 to EBITDA ratio of 3.7x. (Sprint Report, Executive Summary – Tab 1, Summary of
24 Findings, page 8) Based on the forecasts for LTD Holding Company, EBITDA is

1 expected to cover fixed charges in 2006 by approximately *****Begin Confidential** ██████████
2 **End Confidential*****, (Sprint Report, Capital Tests – Tab 6, Summary of Analyses, page
3 73) which is *****Begin Confidential** ██████████ **End Confidential***** the average 3.2x
4 fixed charge coverage ratio for the comparable companies (Sprint Report,
5 Telecommunications Industry Analysis - Tab 3, Comparable Companies Analysis, page
6 26). Based upon the midpoint of our valuation range for LTD Holding Company, we
7 estimate that at the time of the separation the Company’s debt will account for
8 approximately *****Begin Confidential** ██████████ **End Confidential***** percent of its capital.
9 (Sprint Report, Telecommunications Industry Analysis - Tab 3, Comparable Companies
10 Analysis, page 26). This is *****Begin Confidential** ██████████ **End**
11 **Confidential***** the average debt to capital ratios for the comparable companies of 46.1
12 percent. (Sprint Report, Telecommunications Industry Analysis - Tab 3, Comparable
13 Companies Analysis, page 26).

14 **Q. HOW DOES LTD HOLDING COMPANY’S ANTICIPATED DIVIDEND POLICY**
15 **FACTOR INTO THE ANALYSIS?**

16 A. LTD Holding Company currently anticipates paying approximately \$300 million per year
17 in dividends on its common stock (Sprint Report, Transaction Overview – Tab 2, page
18 13). Dividends are an important aspect of equity securities and LTD Holding Company’s
19 dividend yield is expected to attract investors who are interested in current yield thereby
20 providing support for the stock price. Based on the forecasts for LTD Holding Company,
21 the Company is expected to have sufficient cash flows from operations to reinvest in its
22 business through capital expenditures, pay the dividend and make principal payments on
23 its debt. In fact, its dividend payout ratio (defined as the dividend payment as a

1 percentage of free cash flows after payment of interest, taxes and capital expenditures) is
2 projected to be in the range of *****Begin Confidential [REDACTED] End Confidential*****
3 to *****Begin Confidential [REDACTED] End Confidential***** over the projection period,
4 (Sprint Report, Capital Tests – Tab 6, Summary of Analyses, page 73) which is *****Begin**
5 **Confidential [REDACTED] End Confidential***** than the median expected 2005
6 payout ratio for the comparable companies of 70 percent (Sprint Report, Executive
7 Summary - Tab 1, Summary of Findings, page 7). Additionally, notwithstanding that
8 equity investors will view the dividend payment favorably, the dividend payment will be
9 at the discretion of LTD Holding Company’s board of directors and the payment can be
10 modified at any time.

11 **Q. DO YOU EXPECT THAT THE ANTICIPATED CAPITAL STRUCTURE WILL**
12 **LIMIT LTD HOLDING COMPANY’S ABILITY TO REINVEST IN ITS**
13 **BUSINESS?**

14 A. No. The management of LTD Holding Company has projected future capital expenditure
15 requirements. The aggregate capital expenditures in each of the next several years is
16 expected to be approximately *****Begin Confidential [REDACTED] End Confidential*****
17 of revenues, which is *****Begin Confidential [REDACTED] End Confidential*****
18 than the average projected for 2005 for the comparable companies of approximately 13
19 percent of revenues (Sprint Report, Executive Summary - Tab 3, Comparable Companies
20 Analysis , page 35). As discussed above, LTD Holding Company should have excess
21 cash flows beyond those needed for dividend payments should capital expenditure
22 requirements be higher than anticipated or if the Company has investment opportunities
23 with favorable economics.

1 Q. WITH THE PROPOSED CAPITAL STRUCTURE, WILL LTD HOLDING
2 COMPANY BE IN A POSITION TO OBTAIN FUTURE FINANCING?

3 A. The ability of a company to raise financing is a function of a number of factors,
4 including, but not limited to attractiveness of its business, leverage and capital market
5 conditions. Based on the Company's forecasts and assuming market conditions are
6 reasonably similar to those existing today, LTD Holding Company's leverage should
7 decline and it should maintain a substantial equity value. As an independent company
8 with a size that places it well within the Fortune 500, LTD Holding Company should
9 have numerous alternatives for accessing capital in the future.

10 Q. HOW HAS CURRENT AND FUTURE COMPETITION BEEN FACTORED
11 INTO THE ANALYSIS?

12 A. The Company recognizes that its business has been and will continue to be subject to
13 competition from a number of competitive communication providers including wireless
14 voice and data providers, cable companies offering voice services and potentially other
15 competitors in the future. The expectation for future competition is factored into the
16 Company forecasts in which it has assumed access line *****Begin Confidential [REDACTED] End
17 Confidential***** from *****Begin Confidential [REDACTED] End Confidential***** (Sprint
18 Report, Telecommunications Industry Analysis - Tab 3, Comparable Companies.

19 Analysis, page 28) to *****Begin Confidential [REDACTED] End Confidential***** per year
20 (Sprint Report, Capital Tests – Tab 6, Summary of Analysis, page 72) over the 2005 to
21 2007 period, *****Begin Confidential [REDACTED] End Confidential***** certain of
22 its product offerings and *****Begin Confidential [REDACTED] End
23 Confidential***** its *****Begin Confidential [REDACTED] End Confidential***** DSL

1 business. While the Company plans to respond to these competitive threats to minimize
2 the impact to its business, the assumptions regarding competition in the Company's
3 forecasts are inherently embedded in our analysis. Further, to test less favorable potential
4 outcomes for the Company, we have tested cases with greater *****Begin Confidential**
5 **██████████ End Confidential***** to competition and have determined that the Company has
6 reasonable cushion to underperform its forecasts yet maintain a positive operating cash
7 flow.

8
9 **Q. IN SUMMARY, WHAT IS YOUR VIEW REGARDING THE CURRENTLY**
10 **ANTICIPATED CAPITAL STRUCTURE OF LTD HOLDING COMPANY?**

11 A. In summary, based on an extensive review of the operations and financial condition of
12 LTD Holding Company, my knowledge and experience in both telecommunications and
13 corporate finance, and my valuation and financial analysis, and assuming that the
14 transaction is consummated as proposed, LTD Holding Company passes the three tests
15 relating to adequate capital as previously discussed. Further, neither the level of debt nor
16 the anticipated dividend policy should limit the Company's ability to reinvest at the
17 levels that the Company forecasts will be required to maintain its current or an improved
18 level of quality of service.

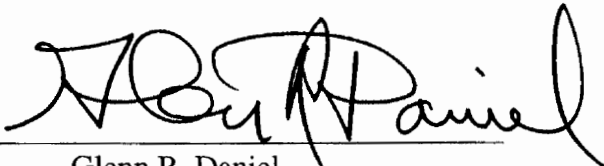
19 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

20 A. Yes, it does.

VERIFICATION

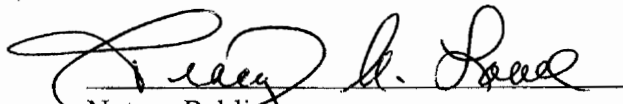
State of California)
) ss:
County of San Francisco)

I, Glenn R. Daniel, of lawful age, being first duly sworn, on my oath state: that I am the witness herein named; that I have read the above and foregoing Testimony; and that the statements, allegations and matters contained therein are true and correct to the best of my knowledge and belief..



Glenn R. Daniel

Subscribed and sworn to before me this 15th day of August, 2005



Notary Public

My Appointment Expires: March 18, 2009



AUGUST 2005

Sprint Nextel Testimony

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Appendix A: Summary Qualifications



Appendix A: Summary Qualifications

ORGANIZATION

- Houlihan Lokey Howard & Zekin (“Houlihan Lokey”) is a leading investment banking firm providing a broad range of services to its clients.
- Houlihan Lokey is the #1 Advisor in transactions under \$500 million and the #5 Advisor in transactions under \$1 billion (as ranked by Thomson Financial Securities Data).
- In addition, the firm is the #1 provider of Fairness Opinions and also has a leading global restructuring practice.
- Financial Advisory Services include Fairness Opinions, Business & Securities Valuation, Purchase Price Allocation & Intangible Asset Impairment, Solvency Opinions, Dispute Analysis & Litigation Support, Board of Directors Advisory Services, and Strategic Alternatives.
- Investment banking services include Sell-side Mergers and Acquisitions, Buy-side Mergers and Acquisitions, Strategic Alternatives Assessments, Private Placements, Leveraged and ESOP buyouts, and Cross Border Advisory.
- Restructuring Services include Chapter 11 Planning, Restructuring Debt and Equity, Debtors-In-Possession Financing, Exchange Offers, IPO Plans of Reorganization, and Distressed Mergers and Acquisitions.

Appendix A: Summary Qualifications

BACKGROUND

- Founded in 1970, Houlihan Lokey Howard & Zukin (“Houlihan Lokey” or the “Firm”) was formed initially to provide business and securities valuations
- The Firm’s reputation in quantitative and analytical analysis served as a platform for providing Financial Advisory Services (e.g., strategic advisory, ESOP feasibility, solvency opinions, litigation support, etc.)
- Houlihan Lokey began providing corporate finance services in 1987, and has placed in the top domestic M&A advisors for ten straight years
- The Firm’s Financial Restructuring Group was formed in 1988 and today is the leading provider of financial restructuring and distressed M&A investment banking services in the world
- In the late 1990s the Firm increased its presence in Europe and in 2002 opened its London office
- Headquartered in Los Angeles, Houlihan Lokey today has approximately 600 employees in nine offices in the United States and the United Kingdom

Appendix A: Summary Qualifications

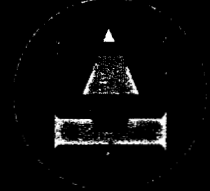
FINANCIAL ADVISORY

- Houlihan Lokey is the leader in Business and Security Valuation; the firm is the largest independent provider of valuation services in the United States. The firm conducts its valuation practice through its Financial Advisory Services (“FAS”) group

SUMMARY OF QUALIFICATIONS

- Houlihan Lokey is the nation’s leading provider of capital adequacy opinions. Our opinions are relied upon by boards of directors in connection with a variety of transactions including spin-offs, corporate reorganizations, dividend recapitalizations and stock repurchases.
- Number one ranking in fairness opinions for past four years
- Perform over 750 engagements per year
- Clients include:
 - ✦ Fortune 500 companies
 - ✦ Forbes 400 families
 - ✦ Private companies
 - ✦ Federal and state agencies
 - ✦ Private equity funds
- Professional staff comprised of over 100 Financial Professionals with outside banking, accounting, legal and/or consulting experience

Expert Testimony and Other Experience



Expert Testimony and Other Experience

TESTIMONY EXPERIENCE

EXPERIENCED EXPERT WITNESSES

Houlihan Lokey's officers have been designated as expert witnesses in hundreds of transactions, proceedings, and lawsuits and have testified in numerous venues throughout the country, including:

- United States District Court
- United States Bankruptcy Court
- Numerous State Courts
- United States Tax Court
- Regulatory Agencies
- Public Utilities Commissions
- American Arbitration Association

Expert Testimony and Other Experience

GLENN R. DANIEL, CFA

Mr. Daniel is a Managing Director in the San Francisco office of Houlihan Lokey, where he has been resident since 1989. He directs San Francisco regional office operations, supervises financial opinion and corporate finance engagements, and is a senior member of the firm's Technology Group. He also sits on the firm's national Fairness Opinion Review, Technical Standards, and Solvency Opinion Review Committees. Mr. Daniel specializes in financial advisory work in connection with merger and acquisition projects, business and securities valuations, and bankruptcies, and has testified as an expert in litigation. Additionally, Mr. Daniel has spoken on issues of valuation, fairness, and solvency to professional organizations, corporate audiences, law firms, banks, and the Internal Revenue Service. Prior to joining Houlihan Lokey, Mr. Daniel served as an Associate Director at Moody's Investors Services where he was responsible for issuing bond ratings on securities of over 200 companies. Preceding that, he worked as a Securities Analyst at Lehman Brothers Kuhn Loeb. Mr. Daniel earned a B.A. in Economics and German, with distinction, from the University of Wisconsin. He earned an M.S. in Finance from the University of Wisconsin, Graduate School of Business, where he was a member of Beta Gamma Sigma Honor Society. Mr. Daniel is also a Chartered Financial Analyst and is a registered NASD General Securities Principal.

Expert Testimony and Other Experience

EXPERT TESTIMONY AND OTHER EXPERIENCE – GLENN R. DANIEL

➤ Partial List of Expert Testimony and Other Experience:

1. In the Matter of the Application of Pacific Gas and Electric Company for Authorization to Implement a Plan of Reorganization Which Will Result in a Holding Company Structure. - Administrative Proceeding Before the Public Utilities Commission of the State of California; Testified as Expert for Pacific Gas and Electric Company
2. David Estes v. Trend Plastics, Inc., et al. - Superior Court of California, County of Santa Clara; Testified as Expert for Defendant; Counsel for Defendant: McCutchen, Doyle, Brown & Enersen
3. Solitec, Inc. v. Helmut Gerike & Constantine J. Zaferes, et al. - Superior Court of California, County of Santa Clara; Testified as Expert for Defendant; Counsel for Defendant: McCutchen, Doyle, Brown & Enersen
4. Eller v. Ironstone - United States Bankruptcy Court, Northern District of California; Testified as Expert for Plaintiff; Counsel for Plaintiff: Keck, Mahin & Cate
5. Bankruptcy of Woodhouse Terminals, Inc. - United States Bankruptcy Court, Southern District of Texas, Houston District; Testified as Expert for Rabobank Nederland, a Creditor; Counsel for Rabobank Nederland: Hughes & Luce
6. Fields, Gosset et al. vs. ADP, Inc. - United States District Court, Northern District of California; Testified as Expert for Defense; Counsel for Defense: McCutchen, Doyle, Brown & Enersen
7. Bankruptcy of Consul Restaurant Corporation - United States Bankruptcy Court, District of Minnesota, St. Paul Division; Testified as Expert for Chi-Chi's, Inc., a Creditor; Counsel for Chi-Chi's, Inc.: Lindquist & Vennum
8. Bankruptcy of Perimeter Real Estate Partners - United States Bankruptcy Court, Northern District of Georgia, Atlanta; Testified as Expert for Citation Mortgage, a Creditor; Counsel for Citation Mortgage: Hughes & Luce

Expert Testimony and Other Experience

EXPERT TESTIMONY AND OTHER EXPERIENCE – GLENN R. DANIEL (CONTINUED)

9. Bankruptcy of PNP Holdings Corporation and Pay'n'Pak Stores, Inc. - United States District Court, Western District of Washington, Seattle; Testified as Fact Witness; Counsel: O'Melveny & Meyers
10. Bankruptcy of O'Brien Environmental Energy, Inc. - United States Bankruptcy Court, District of New Jersey; Testified as Expert for Calpine Corporation, a Plan Proponent; Counsel for Calpine Corporation: Paul Weiss Rifkind
11. Tengler v. Spare, Tengler, Kaplan & Bischel - Superior Court State of California, County of San Francisco; Testified as Expert for Defendant; Counsel for Defendant: Landels, Ripley & Diamond
12. Thomas C. Escher v. Crowley Maritime Services - Chancery Court of the State of Delaware; Testified for Defendant; Counsel for Defendant: Morris, Nichols, Arsht & Tunnell
13. Hamburger Patty Cases: Foodmaker, Inc. v. The Vons Companies, Inc. - Superior Court of California, County of Los Angeles and County of San Diego; Testified as Expert for Plaintiff; Counsel for Plaintiff: Thorsnes, Bartolotta, McGuire & Padilla
14. Jewelers Recovery, L.P. v. Aron S. Gordon, et al. - United States District Court, Northern District of Texas, Dallas; Testified as Fact Witness; Counsel: O'Melveny & Meyers
15. Michael Kalashian, Jagdish Vij and Joseph B. Rickert v. Advent VI Limited Partnership, et al. - Superior Court of California, County of Santa Clara; Testified as Expert for Defendants; Counsel for Defendants: Brobeck, Phleger & Harrison
16. Jeff Schwartz v. Ziff Communications Company, Philip B. Korsant and Ziff Investors Partnership, L.P. - United States District Court, Southern District of New York; Testified as Expert for Defendants; Counsel for Defendants: Mayer Brown & Platt

Expert Testimony and Other Experience

EXPERT TESTIMONY AND OTHER EXPERIENCE – GLENN R. DANIEL (CONTINUED)

17. American Arbitration Association, Northern California - Arbitrator in the Matter of Santa Cruz Aggregates, Inc. and Granite Rock Company
18. In the Matter of Parnassus Investments, Jerome L. Dodson, Marilyn M. Chou and David L. Gibson - Administrative Proceeding Before the Securities and Exchange Commission; Expert for the SEC
19. Apple Computer, Inc., et al. vs. Commissioner of Internal Revenue - United States Tax Court; Expert for Petitioner; Counsel for Petitioner: Wilson, Sonsini, Goodrich & Rosati
20. Thomas A. Wilson, Susan J. Dickerson, et al. v. Xerox Corporation; Liveworks, Inc.; et al. - Superior Court of California, County of Santa Clara; Testified as Expert for Defendants; Counsel for Defendants: Latham & Watkins
21. James F. Schultz v. PLM International, Inc., et al. - United States District Court, Northern District of California; Testified as Fact Witness; Counsel: Fried, Frank, Harris, Shriver & Jacobson
22. Jerald Zavalney, F. Wayne Catlett, Steven Pekarthy, v. Wilson, Sonsini, Goodrich & Rosati, et al. - Superior Court of California, County of Santa Clara; Testified as Expert for Defendants; Counsel for Defendants: Rogers, Joseph, O'Donnell & Quinn
23. Fred Hameetman v. Arthur I. Schumann, Roger A. O'Brien, et al. - Superior Court of California, County of Los Angeles, West District; Testified as Fact Witness; Counsel: Stradling Yocca Carlson & Rauth
24. Harald Beck v. Quick & Reilly, Inc., et al. - NASD Arbitration; Testified as Expert for Respondents; Counsel for Respondents: Keesal, Young & Logan

Expert Testimony and Other Experience

EXPERT TESTIMONY AND OTHER EXPERIENCE – GLENN R. DANIEL (CONTINUED)

25. Philip Spray v. CPR - AAA Arbitration; Testified as Expert for Claimant; Counsel for Claimant: Fried, Frank, Harris, Shriver & Jacobson
26. In the Matter of the property tax assessment appeal: Viacom Cablevision, applicant. - Mediation before JAMS, San Francisco; Neutral Expert for JAMS, Judge Daniel Weinstein
27. BRM Technologies, Ltd. v. Broadview International, LLC, et al. - United States District Court, District of New Jersey; Testified as Expert for Defendants; Counsel for Defendants: Rosenman & Colin
28. Leland Stenovich, et al. v. Spencer F. Eccles, et al. - Third Judicial District Court in and for Salt Lake Co., Utah; Testified as Expert for Defendants; Counsel for Defendants: Howard, Rice, Nemerovski, Canady, Falk & Rabkin
29. Aeroexchange Ltd., v. America West Holding Corporation - AAA Arbitration; Testified as expert for Respondent; Counsel for Respondent: Cooley Godward LLP
30. Amer Jneid, et al. v. Tri Pole Corp., Novell, Inc., et al. - Superior Court of California, County of Orange; Testified as expert for Defendant, Novell, Inc; Counsel for Defendant: Workman Nydegger
31. Catherine Lego, et al. v. Stratos Lightwave Inc., et al. - United States District Court, Northern District of California; Testified as expert for Defendant, Stratos Lightwave; Counsel for Defendant: Piper Rudnick LLP