PETER H. FRIEDMAN

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SENIOR TAX EXECUTIVE

Tax Consulting, Small to Mid-Size Public & Private Companies in the High-Tech, Consumer Products, Entertainment, Software, Manufacturing & Service Sectors

Proven business and tax leader with an innate understanding and ability to traverse the challenges arising from global expansion, M&A, diversification and leadership of diversified businesses. Trusted advisor and business partner to High Wealth Families, the Board, CEO and executive leadership team in devising pragmatic financial, operational and tax transactional strategies, and making tough decisions that balance risk with growth to enhance top and bottom-line performance Adept in building top-performing teams, and driving continuous improvement in people, process and performance

- Corporate Strategy, Business Models & Governance
- Team Building & Performance Improvement
- Tax Analysis & Reporting
- Multi-State, Domestic and International Taxation
- Bank & Private Investor Relationships

CORPORATE FINANCE EXPERIENCE

Peter H. Friedman, CPA, New York, NY and Keene, NH — 2007 to Present

US domestic and International accounting and tax consulting practice

Chief Financial Officer/Tax Director – Mountain Corporation, Keene, NH — 2002 to 2007

Gift, Novelty and Apparel manufacturing company utilizing proprietary Technology

Peter H. Friedman, CPA, New York, NY — 1989 to 2002

Interim CFO and tax consulting practice

<u>Current Responsibilities</u>

Consultant to US domestic and international companies in the areas of financial budgeting and forecasting, bank and investor relationships, State Taxation of e-commerce, domestic and international income tax and US multi-state tax. Research and give advice on International, Domestic and multistate tax compliance including preparation of income tax returns and consulting on Government Audits for other professional organizations. Current clients' industries include service sector, software entertainment manufacturers, ecommerce retailers, non-profits and manufacturers.

<u>Mountain Corporation Responsibilities</u>

Provide tax and financial leadership for in the areas of business planning, acquiring and divesting subsidiaries or affiliate entities, financial budgeting and forecasting, investment, bank relations, multistate e-commerce, ERP, and cash flow management. I had management responsibility in the following business operations, information technology, human resources, financial management, cost accounting, international shipping compliance, Federal and multistate tax compliance, and licensing of intellectual properties.

Manage a team of approximately 20 accounting and financial professionals with direct reporting of 4 managers/controllers.

<u>International Taxation</u>

- Structured mergers and formation of wholly owned US subsidiaries to comply with US and EU tax laws and labor practices which substantially lowered exposure to transfer pricing issues.
- Advised International Companies on the tax issues of acquiring US Companies. Issues involved transfer pricing, deductibility of interest expense on US Companies Books, where to incorporate subsidiary acquiring Companies and executive compensation paid by International Company to US based executives.
- Advised EU entities on the tax issues of acquisition of US Real Estate, issues include transfer pricing, interest deductibility, FIRPTA and US Estate Planning.
- Formulated legal, financial and tax strategies to structure M&A, venture capital funding, loans and exit strategies for micro-capitalized companies, while avoiding resulting tax implications for capital/loan infusion.

- Researched, prepared and negotiated with Internal Revenue Service for the first small business International Tax Advanced Pricing Agreement (Transfer Pricing), which was key to changing pricing structures and added nearly $6M in revenue to a US distributor of a European manufacturer.

Domestic Taxation

- Consulted by the IRS as a subject matter expert in addressing $10B in options-based compensation and alternative minimum tax liabilities stemming from the downfall of the E-commerce sector and subsequent bankruptcy of 100s of publicly traded companies
- Implemented a complete shift in the accounting/reporting structure for a $120M manufacturer, changing inventory valuation/management to a LIFO structure, which saved the company $ 80M in tax liabilities over five years.
- Consulted companies on the tax implications of mergers, selling and liquidating the companies or its subsidiaries.
- Supervised IRS audits of US Companies with issues that include inventory and intellectual property valuation, revenue recognition, non cash compensation and tax credits.
- Supervised preparation of Corporate, Subchapter S, LLC's, and Partnerships income tax returns with either international subsidiaries or parents for manufacturing, retail, real estate, software, financial services companies.

Multi-State Taxation and E-Commerce

- Reviewed economic positions and financial feasibility of E-commerce, indirect global taxation and Internet nexus issues. Influenced government policy for equitable competition and distribution of products/services via the web.
- Contributed to the creation of the state tax matrix for a Company who was telecasting horse racing across State Lines.
- Concluded nexus audit with 5 States proving that the Company was not subject to their State Regulations resulting in a tax savings of $15M.
- Prepared transfer pricing studies to substantiate allocation policies of subsidiary companies doing the same business in many states.
- Technical advisor to Sales Tax Collector.com. The Company calculates the sales tax on e-commerce purchases.
- Expert witness to various State Senates in regards to the economic and tax implications of e-commerce gaming industry and nexus.
- Expert witness to North Dakota in regards to the economic and tax implications of e-commerce and the SSTP,
- Advisory Panel to NH Department of Taxation and Revenue on new legislature involving net operating losses and compensation rules.

Corporate Strategy, Business Models & Governance

- Demonstrated superior risk/return valuation and financial/transactional modeling, which balanced risk with opportunity in new business development, and resulted in double-digit profitability on new ventures.
- Improved financial discipline across all operations, expanded governance models, implemented prudent strategic planning and decision-making processes involving all key management.
- Served as a member of the Board of Directors and Chief Financial Officer/Tax Director US and foreign companies, and developed financial structures to optimize business performance while minimizing/avoiding undue corporate risk.

Team Building & Performance Improvement

- Arbitrated internal management/employee conflicts by establishing clear communications and accountability metrics. Broke down operating "silos" among functional disciplines and drove forward a common vision and objectives.
- Recruited and developed highly qualified professionals in finance, credit, collections, tax and accounting. Reconciled accounts, and produced accurate financials, and sustained a "clean" audit rating for numerous companies.
- Established a formal HR group and employee policies to support 10-fold growth in headcount. Outlined compensation, incentive and employee benefit programs to better attract key talent.

Tax Analysis & Reporting

- Revamped financial structures and practices to ensure compliance with IRS, IAS and GAAP regulations. Cleaned up balance sheets and streamlined management of complex audits/examinations by financial, industry and tax authorities.
- Shortened monthly, quarterly and year-end reporting cycles, including entries required under FASB 109 and Fin 48 with the integrity of the financials upheld during internal/external audits.
- Designed improved financial analysis, tracking and reporting systems to improve the timeliness and accuracy of critical information to support strategic decision-making and continued business expansion.

Bank and Private Investor Relationships

- Opened new avenues for small business investment by substantiating the value of creating a national database of angel investors, promoting of government-sponsored SBIC fund match programs for banking institutions, and bringing into the forefront how regulatory policy posed barriers small businesses in raising capital and exercising exit strategies.
- Established strategic partnerships with short-term financing companies to offer multiple consumers purchase plans for a regional home furnishing retailer.

High Wealth Families

- Supervised the establishment and funding of a 50M Private Foundation to implement the philanthropic desires of a Family
- Coordinated and devised an economic strategy in a wrongful death litigation winning the family a 100M settlement
- Valued closely held companies for estate and gift tax purposes as well as for divestiture.
- Advised and implemented the sale of appreciated Real Estate mitigation the tax burden by 12M.

Civic Responsibilities

- New Hampshire alternate to Internal Revenue Service Taxpayer Advisory Panel 2005 to 2008
- Advisor – SEC Government-Small Business Forum on Business Capital Formation, Washington, DC 1992 to Present
- Director /Treasurer of local New Hampshire non-profit Theatre 2003 to 2009
- Contributing Author to a college textbook entitled "Business & Legal Primer for Game Development published 2007
- Invited guest speaker to regional and national vendor groups to provide expert opinion on the impact of the State Streamlined Sales Tax Project on financial and legal/tax compliance. (list of lectures available on request)
- Served as technical expert to US Advisory Commission on E-Commerce, and featured in business journals and industry forums on legal, tax and financial issues impacting E-commerce, tax implication of employee compensation, online entertainment and interactive gaming.
- Director New Hampshire State Society of CPAs (1999-2002)
- Tax Chairman New Hampshire State Society of CPAs (1998-2003)

PUBLIC ACCOUNTING EXPERIENCE

Partner – Lieberman & Company CPA, New York, NY 1985 to 1989
Manager – Prager & Fenton CPAs, New York, NY 1980 to 1985
Supervisor – Brout & Company CPAs, New York, NY 1976 to 1980

EDUCATION & CERTIFICATIONS

MBA - Taxation, Baruch College, New York, New York, 2007
BA – Accounting, George Washington University, Washington DC, 1976

Certified Public Accountant – New York and New Hampshire

Registered with the Public Company Accounting Oversight Board

Member of Financial Executives International