

## VITA OF DR. STANLEY J. FELDMAN

### ACADEMIC ADDRESS

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### BUSINESS ADDRESS

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### EDUCATION

1976	Ph.D., Economics	New York University
1969	M.A., Economics	New School for Social Research
1967	B.A., Economics and History	Hunter College

### HONORS

University Fellowship – Teaching Assistant	New York University
M.A., Academic Honors	
Scholarship	New School for Social Research

### EXPERIENCE

1989-2011                    **Associate Professor of Finance (Retired)**  
Bentley University

Teaching responsibilities include courses in corporate finance and strategic business and financial policy. Professor Feldman is currently engaged in research related to financing and valuing closely-held businesses.

1999-Present                **Chairman**  
Axiom Valuation Solutions

As Chairman and co-founder of Axiom Valuation Solutions, a business valuation firm, Dr. Feldman is responsible for the overall intellectual integrity of the valuation analysis undertaken by the firm. He is also

responsible for insuring that the firm's mission of delivering this analysis in a cost-effective way to its business owner client base encourages them to make timely required estate and related business planning decisions.

1985-1988                      **Senior Vice President, Industry and Regional Information Services**  
Data Resources, Lexington, Massachusetts

Responsible for managing a \$9.0 million consulting business serving manufacturing companies, financial service firms, utilities, trade associations and various agencies of the Federal government. The division was made up of over 40 professionals who developed business, wrote proposals and developed creative solutions to client problems. Additional responsibilities included the development and maintenance of statistical models and the publication of regular forecasts of the outlook for U.S. industries and regional economies.

1984-1985                      **Vice President, Interindustry and Metal Services**  
DRI

1980-1983                      **Director of the Interindustry Service**  
DRI

1975-1980                      Prudential Insurance Company of America

Major responsibilities include asset allocation for actively managed pension accounts and portfolio, money and capital market analysis. This work was used as input into the formulation of investment strategies. Presentations to clients regarding the outlook for the economy, interest rates, and industrial performance were also conducted.

1973-1975                      Federal Reserve Bank of New York

Responsibilities include research and analysis of empirical aspects of monetary control problems; work was predominantly econometric, e.g., targeting M1, choice of policy instruments, lags in monetary policy, development of predictive models of major liabilities to the desk. Policy simulation studies were performed which required forecasting of real sector variables, e.g., GNP and the inflation rate.

## **PROFESSIONAL AFFILIATIONS**

Boston Estate Planning Council

## **PUBLISHED PAPERS, WORKING PAPERS, PUBLIC POLICY RESEARCH, SPECIAL STUDIES, AND PRESENTATIONS**

### **I. Refereed Publications**

"A Note on Using Regression Models to Predict the Marketability Discount," *Business Valuation Review*, Volume 21, No. 3, September 2002, pp 145-151.

"Investor Attitudes Toward the Value of Corporate Environmentalism: New Survey Findings" (with Peter Soyka). *Journal of Environmental Quality Management*, Autumn 1998.

"Does Improving a Firm's Environmental Management System and Environmental Performance Result in a Higher Stock Price?" (with Peter Soyka and Paul Ameer). *Journal of Investing*, Winter, 1997.

"Capturing the Business Value of EH&S Excellence" (with Peter Soyka). *Environmental Management Journal*, Winter, 1997.

"Sources of Structural Change in the United States, 1963-1978: An Input-Output Perspective" (with David McClain and Karen Palmer). *Review of Economics and Statistics*, Vol. LXIX, No. 3, August 1987, pp. 503-510.

"Industry Analysis and Investment Decision-making Under Conditions of Uncertainty." *Managerial and Decision Economics*, Vol. 4, No. 3, 1983, pp. 193-207.

### **II. Books and Selected Published Papers**

Multiple Chapters in *Entrepreneurial Finance* (M.I.T Press), Frank Fabozzi editor, forthcoming, 2016

A Primer on Valuing Common Stock of a Closely-Held Firm: Addressing the IRS 409A Dilemma. 2<sup>nd</sup> Ed. (with Ryan Tang, John Romano, Jeff Ruberti), Amazon, 2012.

"The Valuation of Private Firms," *Handbook of Finance* (Wiley), Frank Fabozzi editor, 2008.

"Overcoming IRS Challenges to the Amount of Marketability Discount", *Estate Planning*, January 2005, pp. 33-35

Principles of Private Firm Valuation, Wiley, March 2005

"Dividend Plan Will Increase the Value of Firms." Guest Editorial in Boston Business Journal 2004.

*What Every Business Owner Should Know About Valuing Their Business*, with Professor Timothy Sullivan and Roger Winsby, McGraw-Hill, September 2002.

*Business Valuation 101*: "The Five Myths of Valuing a Private Business", a guest article for the SCORE web site <http://www.score.org/>.

"Investor Attitudes Toward the Value of Corporate Environmentalism: New Survey Findings," (with Peter Soyka) *Journal of Environmental Quality Management*, Autumn 1998.

"The Determinants of Profit Growth in the Manufacturing Sectors" (with Richard DeKaser). *Profits, Deficits, and Instability*, D.B. Papadimitriou ed., Macmillan, 1992, pp. 60-81.

### III. Reviewed Published Papers

"The Impact of Productivity, Pricing, and Sales on Shareholder Wealth" (with Timothy Sullivan). *Data Resources Long-term Review*, Summer 1992, pp. 19-23.

"Has the Private Rate of Return on Industry R&D Increased?" (with Timothy Sullivan and Richard DeKaser). *Data Resources Long-Term Review*, Winter, 1991, pp. 21-24.

### IV. Axiom on Value Notes and Working Papers

"Valuing Intellectual Property of an Early Stage Company," June 2015.

"Is Investing in an Equity Tranche of a CLO Too Risky?" November 2014.

"Valuing a Startup as an Exercise in Quantum Physics," October 2014.

"A Research Note on the Value and Under Pricing of Life Policies," September 2014.

"The Benefits of Offshoring Intellectual Property: Minimizing Taxes and More," August 2014.

"The Cost of Illiquidity in the Syndicated Loan Market," July 2014.

"New Opportunities for Business Borrowers, The Bank Monopoly is Ending," June 2014.

"Business Valuation 101: The Five Myths of Valuing a Private Business," May 2014.

"Maximizing the Rate of Return on Your Next Acquisition: Why the Allocation of the Purchase Price Should Be Done Before the Deal Closes," April 2014.

"Letter to the Editor: Wall Street Journal: Auditors of Hedge and Private Funds are Not Validating NAVs.," July 2013.

"A Primer on Calculating Goodwill Impairment: Valuation Issues Raised by Financial Accounting Statement 142," Revised 2004.

"Calculating Goodwill Impairment: Valuation Issues Raised by Financial Accounting Statement 142," May 2002

"The New Cambridge Controversy: Is Creating and Sustaining Competitive Advantage Rewarded by the Capital Market?" (with Timothy Sullivan). A working paper, January 1993.

"The Rate of Return on R&D as a Capital Budgeting Problem," (with Timothy Sullivan). Bentley College working paper series, WP-92-014, October 1992.

"The Impact of Target Strategy Variables on Shareholder Wealth," (with Timothy Sullivan). Bentley College working paper series, WP-92-012, September 1992.

"Competitive Strategy and the Determinants of Industry Valuation," (with Timothy Sullivan). Bentley College working paper series, WP-91-003, March 1991.

"The Real Determinants of Industry Valuation: Growth in Industry Output, Productivity, and Relative Prices," (with Timothy Sullivan). Bentley College working paper series, WP-90-025, September 1990.

"Dynamic Adjustment and Marginal Rates of Return on Research and Development Expenditures in Several Manufacturing Industries," (with Timothy Sullivan and Richard DeKaser). Bentley College working paper series, WP-90-001, July 1990.

"The Formulation of Price Expectations and the Real Rate of Interest: Is Fisher, Right?" Federal Reserve Bank of New York, Research Paper Series #7412, July 1973.

## V. Research Notes and Special Studies

Determining the Fair Value of Debt When the Issuer May Not Be a Going Concern: When is Liquidation Value Fair Value? (with Ryan Tang) 2012.

Predicting Market Prices of Fixed Income Instruments Using Axiom Valuation Solutions' Credit Rating and Fair Value Pricing Platform, (with John Roberts and Ryan Tang) 2012.

A Note to Investment Committees: Are You Prepared for the Next Bernie Madoff? (with John Roberts and Ryan Tang) 2011.

Revisiting the Liquidity Discount Controversy: Establishing a Plausible Range, 2004.

Six Myths of Transacting a Private Business, 2004.

Valuing a Highly Leveraged ESOP, 2004.

A Note on Using Option-Pricing Models to Estimate the Value of Control. 2004.

Financial Service Needs of Established Business Owners. (With Roger M. Winsby) Revised 2004.

*Evaluation of Citibank's Debt Rating Model.* This report reviewed Citibank's debt rating model, made suggestions for possible improvements, and reviewed the literature on credit risk and default modeling, October 1997.

A Primer on the Nature and Role of the Financial Markets: A Guide for State and Local Transportation Officials as They Consider Innovative Financing Mechanisms to Fund Future Highway and Road Construction, September 1995, prepared for the Federal Highway Administration under contract DTFH61-93-C-00206, work order DRI-94-011.

*Pricing Commercial Use of Major Range and Test Facilities.* A special study completed for DOD under contract for DRI which set out a methodology for developing lease rates for major range and test facilities based on expected demand, capacity and the cost of capital, March 1995.

The New England Defense Adjustment Project Financial Initiative. A special study to develop approaches to aid small and medium size defense companies transition to commercial markets funded by the Office of Economic Adjustment through the Rhode Island Port Authority, November 1994.

"Readings Designed to Increase Your Firm's Chances of Obtaining Needed Financing", Prepared for Attendees of the *Conference on Financing for Market Development: Problems and Opportunities*, sponsored by the New England Defense Adjustment Project, November 1994.

*Development of a Commodity-Based Classification System.* A special study prepared for the Department of Transportation by SJF Associates under work order DTRS57-94-P-80786, September 1994.

*A Comprehensive Review of the Highway Construction Industry with a Focus on the Labor Market* (with Data Resources). A special study prepared for the Federal Highway Administration, the United States Department of Transportation, DRI work order, DRI-93006- Task 1, November 1993.

*Evaluating Potential Customers* (with Data Resources). A special study prepared for the Southern Company Services, Inc. on evaluating the economic viability of potential customers, September 1993.

*Assessing the Technological Competitiveness and Comparative Advantage of Nations* (with Kirk Bozdogan, Sal Monaco and David Tye). Special study for the Central Intelligence Agency, March 1992.

Moving Towards an Improved Micro-Based Classification of Economic Activity: A Report on the Structure and Implementation of a Revised SIC and Related Economic Clusters. Bureau of the Census, March 1991, Contract Solicitation 52-SOBC-0-00001.

*Project Cornerstone: Foundations for Economic Leadership* (in conjunction with SRI and DRI). A special study sponsored by the Florida Chamber of Commerce, April 1989.

"The Dangers a High Dollar Poses for U.S. Industry" (with Roger Brinner and Sarah Johnson). DRI, *Review of the U.S. Economy*, September 1988.

"Cash-Flow Prospects for U.S. Industry." DRI, *Review of the U.S. Economy*, February 1988.

"Balancing Growth and Risk in the Corporate Loan Market" (with Paul Ross et al.). *DRI Corporate Loan Study*, 1987.

"An Approach to Developing a Successful Pro-active Economic Area Development Program." A DRI special study, 1987.

"The Third Industrial Revolution and Prospects for Long-Term Growth." DRI, *U.S. Long-Term Review*, Fall, 1987.

"Cash-Flow Prospects for U.S. Industry and the Reemergence of U.S. Manufacturing." DRI, *U.S. Industry Review*, Fourth Quarter, 1987.

"The Impact of Low Oil Prices on Industry Cash Flow" (with Peter Jordan). *The Impact of Low Oil Prices on the U.S. Economy*, a DRI special study, April 1986.

"The Quality of Industry Cash Flow and Investment Decision-Making." DRI, *Interindustry Review*, Fall, 1986.

Identifying and Attracting Industries and Companies to A Utility Service Territory. A special study for Florida Power Corporation, January 1986.

Analysis of the Outlook for Natural Gas and Energy in Eight Industries. A special study conducted for the Gas Research Institute, May 1986.

"Evaluating Risks to Industry Performance." Electric Power Research Institute, EPRI EA-0431, Project 2279-3, Proceedings, May 1985.

"Improving Company Performance Through Product-Line Forecasting." DRI *Interindustry Review*, Fall, 1985.

"Foreign Targeting of American Industries: Which Industries Are Next?" (with Matthew Salomon). DRI, *Interindustry Review*, Summer, 1984.

*A Report on the Construction of the Postal Service Interindustry Demand System* (with Ruth Polak and Dale Jorgenson). A special study for the U.S. Postal Service, July 1984.

"An Historical Analysis of Structural Change" (with David McClain). Edison Electric Institute, May 1984.

An Approach to Evaluating Industry Bottleneck Potential: The Industry Capacity Monitoring System: A System to Evaluate Industry Production Bottlenecks (with Matthew A. Salomon and Karen Palmer). March 1984.

"The Demand for External Financing: Winners and Losers in the 1980's". *DRI Corporate Loan Study*, November 1983.

"Does EPA Regulation Result in Diversion of Capital from Productive (Goods Producing) Investment" (with David McClain). Environmental Protection Agency, 1983.

Developing an Interindustry Model for the U.S. Postal Service: Phase I (with Ruth Polak and Dale Jorgenson). February 1983.

Will the Defense Build-up Result in Capacity Constraints in the Machine Tool Industry in the 1980s? An Analysis of the Defense Impact on the Demand and Supply for Machine Tools. A special study undertaken for the National Machine Tool Builders Association, October 1982.

"Industrial Performance Under Alternative Scenarios: Special Implications for the Postal Service." DRI, *Interindustry Review*, Spring, 1982.

"Industrial Analysis and Investment Decision-Making Under Conditions of Uncertainty." DRI, *U.S. Long-Term Review*, Winter, 1981-1982.

"Analyzing the Sources of Sectoral Profitability" (with Bazil Van Loggerenberg). DRI, *Interindustry Review*, Fall, 1981.

"Impact of Reagan Economics on the Wire Industry." *Wire Journal Magazine*, February 1981.

"Input-Output Modeling: Some Uses and Applications." DRI, *Interindustry Review*, Summer, 1981.

"An Econometric Model of the U.S. Financial Sector." A special study for the Prudential Insurance Company, July 1977.

## **VI. Presentations at Academic Conferences**

"Do Money Managers Evaluate Environmental Factors When Making Investment Decisions?" (with Peter Soyka). Northeast Business and Economics Association 1998 Annual Conference, October 28-28, 1998.

"Competitive Strategy and the Determinants of Industry Valuation" (with Timothy Sullivan). Western Economic Association Conference, July 1991.

"Competitive Strategy and the Determinants of Industry Valuation" (with Timothy Sullivan). Eastern Finance Association, April 1991.

"The Real Determinants of Industry Valuation: Growth in Industry Output, Productivity and Relative Prices" (with Timothy Sullivan). FMA, October 1990.

"Dynamic Adjustment and the Marginal Rate of Return on R&D in Several Manufacturing Industries" (with Timothy Sullivan). Western Economic Association, July 1990.

"The Determinants of Profitability in the Manufacturing Sectors" (with Richard DeKaser). A presentation at the Jerome Levy Institute Conference on *Profits and Instability*, March 1989.

"Sources of Structural Change in the U.S.: Retrospect and Prospects" (with David McClain). Fourth Annual Symposium on Forecasting, Manchester, U.K., July 1984.

"Environmental Regulation and the "Diversion" of Productive Capital Investment: An Empirical Analysis" (with David McClain). Eastern Economic Association, March 1984.

"The Determinants of Output in the Service Sector: An Historical Analysis." A presentation to the Ninety-Fifth Annual Meeting of the American Economic Association, December 1982.

"Will There Be a Serious Capital Shortage in the Next Decade?". A presentation to the Seventh Annual Meeting of the Financial Management Association, October 1977.

## **VII. Other Professional Presentations**

"CLO Valuation and Investor Due Diligence". A presentation at the 1st annual IMN - CLO and Leveraged Loans Conference, in New York, NY. March 26, 2012.

"A Case Study on using Axiom's Alternative Investment Return Authentication Service (AIRAS) to Detect When an Alternative Investment (AI) Manager is Misreporting". A presentation to the Security and Exchange Commission. March 2011.

"Detecting When an Alternative Investment (AI) Manager is Misreporting". A presentation to the Security and Exchange Commission on using Axiom's Alternative Investment Return Authentication Service (AIRAS) to identify AI funds that are not reporting properly. January 2011.

“Evaluating Transparency Risk: Implications for Fair Value Measurement and Asset Allocation”. A presentation at Endowment and Foundation Summit. March 24-25, 2010.

“Dollars and Dynamics: Forging a Fair Value of the Family Firm”. (with Mary Daugherty) at the Institute for Family Business Seminar in Freeport, Maine. July 23, 2007.

“New Stock Option Rules for Early Stage Companies: Valuation of Early Stage Companies for 409A and 123R Expense Calculations”. A presentation at Foley Executive Briefing Series, Boston, MA. September 26, 2007.

“Business Valuation and the Financial Planning Process”, Presentation to Mass Mutual, May 2004.

“The Six Myths of Valuing and Transacting Family-owned Businesses”. A presentation for the Family Firm Institute. September 29, 2004.

“Boosting Sales of Financial Products and Services Through Business Valuation”, A series of presentations to Lincoln Financial Advisor Management Forums, February-March 2003.

“Financial Accounting Standards and Fair Value: What M&A Professionals Need to Know About Fair Value Accounting”. A presentation at the 7th Semi-Annual Mergers & Acquisitions Advisor Conference in New York. December 3, 2003.

“Using Experts and the Valuation of Closely-held Businesses”. A presentation at the 10th Annual Internal Revenue Service Town Meeting. October 20, 2003.

“What Every Financial Service Professional Should Know About Business Valuation”, A continual education program for financial advisors sponsored by NAIFA of Massachusetts, January 29, 2003.

“What Every Financial Advisor Should Know About Valuing Their Client’s Business”, A Presentation to Bay Financial, June 24, 2002.

“What Every Business Owner Should Know About Valuing Their Business”, A Presentation Sponsored by the Salem Small Business Development Center, March 14, 2002.

"The Economic Impact of M&A Activity. What Does the Research Tell Us?" New England Economic Project's Semi-annual Outlook Conference, October 28, 1998.

"Increasing the Value of Your Firm in the Global Marketplace: The Productivity Paradigm." NTU Satellite Network, satellite presentation to corporate managers and R&D personnel at IBM, Digital, and several other large U.S. corporations, November 21, 1991.

"Restructuring the SIC System." A presentation at the International Conference on the Classification of Economic Activity, Williamsburg, VA, November 1991.

"Using Financial Statement Analysis to Develop Sales Strategies and to Identify Sales Opportunities." A presentation to Data Resources senior managers, August 1989.

"The Role of Education and Technology on U.S. Economic Growth" (with SRI). A presentation to President Bush's Senior Advisor on Domestic Affairs, April 1989.

"Estimating the Use of Telecommunication Services, Postal Services and Advertising by Industry" (with Charles Guy). Telecommunications Demand Modeling Conference, Bell Communications Research, October 1985.

"Structural Change in the United States" (with Karen Palmer). National Association of Business Economists Annual Meeting, September 1984.

"Trends in Competitive Position and Market Share of Energy Intensive Industries." Aspen Institute, August 1984.

### **VIII. Expert Witness and Litigation Experience Over the Past Four Years**

2016 – Caylor Company v. Commissioner of Internal Revenue, Docket Nos. 17204-13 et al (United States Tax Court).

2015 – Joel Trojan vs. Denise Trojan, F.C. No. P2014-0484 (State of Rhode Island and Providence Plantations, Providence, Sc. Family Court)

2014 – Michael Hayman, M.D., v. Michael Fein, Stephen Saltzstein, RAM Capital Resources, LLC, Shelter Island Opportunity, Shelter Island Opportunity Fund, LLC, Shelter Island GP, LLC, Midway Management Partners, LLC, Truk Opportunity Fund, LLC, Atoll Asset Management, LLC, EisnerAmper, LLP, and ABC Insurance Company, No. 11-12194 (Civil District Court for the Parish of Orleans, State of Louisiana).

2012 – Dale Lantz v. HL2, Inc. and Ascentium Corporation, No. 10-2-42016-9 SEA (Superior Court for the State of Washington, in the County of King).

2011 – Dana M. Marguerite v James M. Marguerite, Jr., No 2011-J-0106 (Commonwealth of Massachusetts, Middlesex, SS Probate & Family Court)