THOMPSON, COBB, BAZILIO & ASSOCIATES, PC

Certified Public Accountants & Management, Systems and Financial Consultants

TAX AND EMERGING BUSINESS SERVICES

CAPABILITIES

TCBA

www.tcba.com

MICHAEL J. COBB, CPA, MBA
Partner

tax and emerging business services

"When people talk about this organization or when they talk about accounting or the particular expertise that is offered by the firm, Michael Cobb is one of the first names I hear mentioned."

William Pollard
President - UDC

"The firm has been terrific. Michael Cobb has been a great friend. He has been a great advisor on many issues. .... a terrific firm."

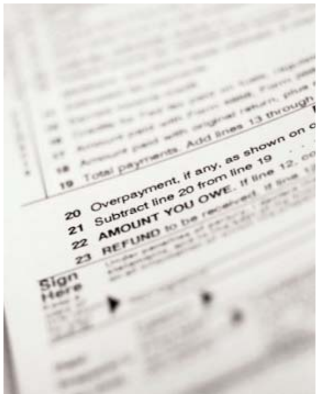
Debra Lee
President and COO
BET Holdings, Inc.

1. Tax Services

- Income Tax Preparation for Corporations, Partnerships, Trusts, Estates, Self-Employed Professionals and High Income Individuals
- Structuring of Pension and Profit Sharing Plans
- Tax Planning
- Pension Plan Administration

2. Emerging Business Services

- Accounting services including preparation of compilation and review reports in accordance with GAAP
- Business plan preparation
- Financing proposals
- Management, Financial and Information Systems Consulting services
- Forecasted/Proforma Financial Statements
- Assistance in securing Debt and Equity financing



tax and emerging business services

TCBA's Tax Department has an extensive clientele of high net-worth individuals and business entities for which the Firm provides the following range of tax services:

- Corporate and personal income tax planning.
- Preparing and reviewing tax returns for individuals, partnerships, corporations and tax-exempt entities.
- Developing and presenting seminars on tax issues relating to tax-exempt organizations, corporations, and individual tax filers.
- Structuring pension and profit-sharing plans.
- Providing payroll tax services, including quarterly and annual tax informational reporting.
- Monitoring changes in tax rules and interpretations, and their impact on clients.
- Analyzing the tax consequences of financial decisions, such as mergers and acquisitions.
- Researching and providing memoranda on various tax issues.

This department also provided services to emerging businesses including preparation of compilations, reviews, audits, management and financial consulting computer systems consulting, risk management, business plan preparation, cash flow projections, prepara tion of financial proposals and assistance in securing debt and equity financing.

Significant engagements performed by TCBA's Tax Department include the following.

1098/1099 Statement Preparation Services

This engagement for 1098 and 1099 tax return processing for 1992 and 1993 consisted of five separate phases. During the first phase of the engagement, we assisted the Resolutions Trust Corporation (RTC) Asset Operations Department in performing all the necessary processing and control functions required to meet year-end tax reporting needs for those assets that were directly or indirectly controlled by the RTC.

The second phase of the engagement required TCBA to analyze the RTC FIN Servicer System of Record loan portfolio balances. The objectives of our analysis were to determine the accuracy of loan balances and to provide recommendations for corrective action where necessary. TCBA reviewed 130 RTC loan servicer portfolios consisting of 9,833 loans with a book value of approximately $508 million.

The third phase of the engagement required TCBA to review loan conversion reconciliation worksheets prepared by another firm. The objectives of our review were to analyze the variances reported on the reconciliation worksheets and determine the impact of the variances on RTC's current accounting records and whether additional funds were due to the RTC from the servicers.

During the fourth phase of the engagement, we tested interest paid-through dates converted from RTC FIN databases to determine whether this information was accurately transmitted, thereby reducing the risk of miscalculations of accrued interest due. Our analysis disclosed that this information was accurately converted in each instance for the sample items tested.

The final phase of this engagement included the preparation of a report that analyzed the results of the 1098/1099 statement preparation services phase of the engagement from the perspective of providing information to the RTC regarding how the current year's engagement should be conducted, including our recommendations for improvements.

Preparation of Receivership Tax Returns

TCBA prepared receivership federal and state tax returns for RTC's Tax Department as a subcontractor to Grant Thornton, LLP. We were engaged to prepare consolidated Federal and State tax returns for 13 thrifts and subsidiaries under RTC supervision. In addition, we also:

- Calculated Federal financial assistance (FFA) received under RTC draft procedures for determining the annual amount of Federal financial assistance provided for federal tax purposes.
- Calculated taxable and deferred FFA under Internal Revenue Service Code Section 597 and the related Proposed Regulations.
- Drafted disclosure statements under Proposed Section 597 regulations and other pertinent Internal Revenue Code Sections.

FDIC Benefit Plan Termination Services

TCBA assisted the Federal Deposit Insurance Corporation in timely termination of employee benefit plans for failed financial institutions. As part of this contract TCBA performed all actions necessary to efficiently terminate and distribute the employee benefit plan assets and provided oversight of the duties assigned to other service providers of the plan. The types of plans that we terminated included defined benefit plans (standards and distressed), defined contribution plans, and employee stock ownership plans. The project also required TCBA to automate employee payroll information, severance, travel, and relocation payments. This computerized information was used by TCBA at year-end to prepare W2s, 1099s, and W3s and quarterly 941s and 940 payroll forms.

Year-end Tax Reporting Services

TCBA was engaged by the RTC Asset Operations Department to perform all the necessary processing and control functions required by the Valley Forge Office of RTC to meet year-end reporting needs for those loan assets which were owned or administered by the RTC (as a receiver or conservator or the owner of record). Specific tasks included:

- Coordination, preparation, assimilation and confirmation of year-end loan reporting for forms 1098 and 1099, tax and interest statements.
- Confirmation of all mailings with documented tracking of year-end loan reporting for forms 1098 and 1099, tax and interest statements.
- Development and operation of a tickler system providing expeditious response to asset-specific inquiries.
- Responding to all written, physical and telephone inquiries; maintaining a tracking system of responses; and coordinating with all RTC departments.

MICHAEL J. COBB, CPA, MBA

Partner

BACKGROUND

Mr. Cobb is Partner in Charge of Tax and Emerging Business Services at TCBA. His responsibilities include management of personnel in the tax department and coordination of all tax services provided to high income individual and business tax clients. These services consist of tax planning and consulting, in addition to tax return preparation.

Mr. Cobb has more than 20 years of experience in providing tax planning, consulting, and tax return preparation services. He has provided tax services for a broad range of clients including large multi-national corproations, government contractors, financial institutions, real estate partnerships, service and manufacturing companies, technology and communications companies as well as high income individuals. He is also responsible for the technical review of all major tax matters. In addition, Mr. Cobb is also responsible for the Firm's services to emerging businesses. He assists these companies in strategic planning, accounting, capitalization and financial planning.

EDUCATION

Tulane University, MBA - New Orleans, LA
Tulane University, B.A., Economics - New Orleans, LA

CERTIFICATIONS/AFFILIATIONS

Certified Public Accountant
Chairman, DC Board of Accountancy
Member, National Association of Black Accountants

EXPERIENCE HIGHLIGHTS...

Partner in Charge of Tax Services for corporations, partnerships, trusts, pensions and nonprofit organizations served by TCBA. These clients include:

- National Alliance of Black School Educators
- Greater Washington Urban League, Inc.
- Executive Leadership Council
- National Association for the Advancement of Colored People
- Nehemiah Corporation of California
- National Council of Negro Women, Inc.

Mr. Cobb is also responsible for our services to emerging businesses. He assists these companies in financial, accounting, tax and strategic planning, with the goal to help them grow and expand.

Mr. Cobb has provided tax preparation as well as tax and financial planning services to high net worth taxpayers. These services included tax planning, cash flow planning, estate planning, and retirement planning.

Mr. Cobb has provided tax and reporting services for Federal Government Pension Plan termination. This included all administrative functions and related strategic planning required to successfully complete termination process for a group of Pension Benefit Plans for which the FDIC served as the receiver.

Senior Tax Manager, KPMG
Mr. Cobb was the engagement manager responsible for coordinating all tax services provided to several commercial and individual clients. These clients included real estate partnerships, large multi-national corporations service companies, manufacturing companies, high technology, and communication companies, non-profit organizations and high income individual clients. These services included preparation of federal and state income tax returns, consulting federal tax issues, as well as state tax filing requirements. Mr. Cobb was also involved in providing tax services for one of the first interstate bank acquisitions in the Washington, DC area. He has also served as the tax manager for two international bank offices located in Washington, DC.

TCBA
22
YEARS
1983-2005

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Philadelphia, PA