

THOMAS G. REES, CPA, CFA, CFE
PROFESSOR OF PRACTICE, ACCOUNTING
LEHIGH UNIVERSITY
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SUMMARY OF QUALIFICATIONS

Accomplished CPA/CFA/CFE/MBA with progressively responsible and diverse accounting, regulatory and financial consulting experience. Strong technical accounting, auditing, project management and analytic skills complemented by well-rounded management ability. Extensive experience researching and interpreting generally accepted accounting principles (U.S. GAAP and IFRS), conducting forensic accounting investigations, providing expert testimony, and resolving bank regulator and SEC inquiries. Specific expertise in financial instruments, derivatives, credit impairment, fair value accounting, auditing and internal controls. Excellent communication skills, with extensive experience developing and delivering presentations on technical accounting issues, drafting accounting position papers and preparing expert testimony.

PROFESSIONAL EXPERIENCE

LEHIGH UNIVERSITY, Bethlehem, PA

Professor of Practice, Accounting

(August 2018 to present)

Responsible for teaching various accounting classes, including:

- ACCT 152, Managerial Accounting
- MACC 420, Forensic Accounting and Auditing
- MBA 451, Financial Accounting
- MBA 461, Financial Claimants

FTI CONSULTING INC. (FTI), Wayne, PA

2006 to present

Senior Managing Director, Co-Leader, Financial Inst. Governance and Regulation

(2013 to 2018)

Managing Director, SEC Advisory and Financial Services Practice

(2008 to 2013)

Director, SEC Accounting and Advisory Practice

(2006 - 2007)

Provided clients with accounting, forensic investigation, and litigation-related financial consulting services. Assisted clients respond to bank regulator and SEC inquiries, comment letters and enforcement actions. Wrote accounting position papers and policies and assist clients in discussions with the national offices of their external auditors. Conducted forensic investigations and prepare expert testimony.

- Researched and interpreted U.S. GAAP and IFRS. Determined the appropriate accounting treatment for complex transactions and accounting issues, including:
 - Valuation and impairment analysis of loans and securities, including thinly-traded CDOs and MBS
 - Off-balance sheet transactions
 - Derivatives and hedge accounting
 - Fair value accounting
 - Revenue recognition, including bill and hold transactions and channel stuffing
 - Structured debt and equity instruments including convertible debt, preferred stock, and warrants.
- Established and co-lead of FTI's Bank Regulation and Governance practice. Recruited staff and provided consulting services including anti-money laundering compliance reviews, internal control/enterprise risk management assessments and conducted fraud/whistleblower investigations.
- Provided consulting services to financial institutions, including:
 - Due diligence on target acquisitions, including evaluating compliance and credit risk
 - Development of a methodology for valuing structured securities and thinly-traded debt instruments
 - Performing management reviews in response to regulatory consent orders
 - Accounting/call report regulatory capital analyses, including ALLL and OTTI assessments.

PROFESSIONAL EXPERIENCE *continued***FTI CONSULTING INC. (continued)****2006 – 2018**

- Worked with clients to properly structure derivative transactions to achieve hedge accounting. Prepare hedge documentation and complete initial and ongoing hedge effectiveness tests.
- Conducted forensic investigations of alleged accounting and financial statement fraud and auditor malpractice at numerous clients, including large, complex, systemically important financial institutions.
- Prepared expert testimony regarding bank supervisory policy on investments and risk management practices. Provided accounting consultation services in the defense of various SEC enforcement actions, Department of Justice criminal prosecutions, and other litigation.

PENN MUTUAL LIFE INSURANCE CO., Horsham, PA**2004 - 2005*****Vice President/Chief Accounting Officer***

Established accounting policies, oversaw preparation of the company's financial statements, and designed and implemented internal controls over company-wide accounting activities. Supervised the accounting operations for the broker dealer, variable annuity, mutual fund, and treasury/cash management functions.

- Served as a member of the Asset Liability and Enterprise Risk Management Committees.
- Managed relationships with external auditors, rating agencies, and regulatory authorities.
- Restructured the broker dealer and mutual fund accounting functions, recruiting new management and staff.
- Identified internal control weaknesses relating to suspense accounts, account reconciliations and reinsurance accounting. Designed and implemented process improvements to reduce account reconciliation times.

OFFICE OF THE COMPTROLLER OF THE CURRENCY (OCC), Washington, DC**1994 – 2004*****Deputy Chief Accountant/Senior Capital Markets Advisor/Professional Accounting Fellow***

Researched and interpreted U.S. GAAP and international accounting standards. Developed supervisory policies relating to accounting, auditing, capital markets, internal controls, impairment and capital adequacy.

- Worked with representatives of the FASB, the SEC, AICPA and the other Federal banking agencies to address emerging accounting issues, assess their impact on banks, and formulate comment letters on proposed accounting rules.
- Represented the OCC in meetings with the G-10 countries at the Bank for International Settlements in discussions regarding the development of regulatory capital rules (Basel II). Analyzed risk management, accounting, and disclosure practices of large, complex systemically important banks, and helped prepare white papers on best practices for management and disclosure of market risk, credit risk and liquidity/funding risk.
- Led the OCC's nationwide review of bank implementation of Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities" (now ASC 815), assessing its impact on risk management strategies and communicating with senior executives and examiners to ensure compliance with FASB and bank regulatory requirements.
- Conducted exams of safety and soundness at more than twenty banks (both community banks and large complex financial institutions with systemic risk). Assisted in the on-site supervision of troubled banks that securitized sub-prime credit card and mortgage assets.
- Analyzed bank financial statements and disclosures, evaluating on and off-balance sheet risks, the appropriateness of financial valuations, and compliance with GAAP.
- Performed horizontal reviews of large credit card issuers evaluating risk and accounting compliance.
- Wrote and interpreted instructions for bank regulatory filings (call reports).
- Developed and delivered educational sessions for OCC examiners and industry representatives on emerging accounting issues, including derivatives, securitization, impairment, and mortgage banking.

PROFESSIONAL EXPERIENCE *continued*

MBNA AMERICA, Newark, DE

Vice President/Department Manager

Rotated through various leadership roles, conducting operational audits and quality assurance reviews. Managed departments ranging in size from 15 to 90 individuals and expense budgets in excess of \$18 million.

- Designed and coordinated implementation of major information system projects including variable rate pricing, monetary adjustments, and customized account fulfillment.
- Managed credit card production and fulfillment operations and relations with credit card vendors. Designed and implemented an inventory management system for more than 10,000 unique plastic types.

ARTHUR ANDERSEN & COMPANY, Dallas, TX

Senior Auditor

Conducted financial audits and performed information system and data security reviews.

CHAMPLIN PETROLEUM (UNION PACIFIC RESOURCES), Fort Worth, TX

Internal Auditor

TEACHING EXPERIENCE

University of Maryland, University College, Adelphi, MD; 2002 – 2010

- Forensic Accounting
- Intermediate Accounting I and II
- Principles of Accounting II.

Howard County Community College, Columbia, MD 2002

- Principles of Accounting I.

Center for Professional Education, Inc. (CPE), Paoli, PA; 1996 – 2009

- Accounting for Derivatives;
- Accounting for Securitizations;
- Management's Discussion and Analysis;
- Foreign Currency Transactions;
- Financial Reporting and Accounting Update.

EDUCATION

MBA – emphasis in Finance; University of Delaware, Newark, DE; Voted to “Fabulous Fifty” Alumni
BS in Accounting; graduated Summa Cum Laude; Arizona State University, Tempe, AZ

PROFESSIONAL CERTIFICATIONS

- Certified Fraud Examiner (CFE)
- Chartered Financial Analyst (CFA); Member CFA Institute
- Certified Public Accountant (CPA); Member AICPA
- Certified Anti-Money Laundering Specialist (CAMS); Member ACAMS
- Certified Information Systems Auditor (CISA)

PUBLICATIONS

- “Staying Smart with CFPB Compliance and the Labyrinth of Fair Lending Laws; The RMA Journal, Fall 2015; Co-author with David Lasater and Tim Matuszewski
- “Other-Than-Temporary Impairment: Identifying the Amount of Credit Loss,” Bank Accounting and Finance, February-March, 2010; Co-author with Dustin Ruta
- “Other-than-Temporary” Impairment: New FASB Rules May Provide Some Relief,” Commercial Lending Review, November-December 2009. Co-Author with Ken Fick.
- “Weathering the Other-Than-Temporary Impairment Storm,” Journal of Accountancy, March 2009, Co-author with Ken Fick.
- “Don’t Trip Over that Embedded Derivative,” Pennsylvania CPA Journal, Spring, 2008.
- “Derivatives Due Diligence for Directors,” Directors Monthly, November 2006.
- “Internal Controls Issues in Derivatives Usage: An Information Tool for Considering the COSO Internal Control – Integrated Framework,” published in 1996 by the Committee of Sponsoring Organizations of the Treadway Commission. Member of Project Advisory Council.

SELECTED CONFERENCE PRESENTATIONS AND SPEAKING ENGAGEMENTS

- “Regulatory Issues of Importance to Bank Audit Committees,” sponsored by the Association of Audit Committee Members; February 7, 2012.
- “Accounting Issues for Financial Companies,” sponsored by the Association of Audit Committee Members; January 24, 2012.
- “Fair Value Accounting and Litigation,” sponsored by the NY City Bar; October 22, 2010.
- “Banking in a Time of Change,” Thomson Reuters Webinar, co-panelist with Arnold & Porter and Regulatory Fundamentals LLC; September 22, 2010.
- Private Equity Roundtable discussing the impact of the Dodd-Frank legislation, sponsored by FTI and Skadden Arps, Washington DC; July 22, 2010.
- “Accounting for Other-than-Temporary Impairment,” Fair Value Accounting Conference sponsored by CPE, Inc., New York, NY; March 17, 2010.
- “Year-end SEC Conference,” (“Accounting in Hard Times” and “Complex Financial Instruments”), sponsored by CPE Inc., New York, NY; December 16, 2009, December 16, 2008.
- “Hard to Value Assets,” sponsored by New York Society of Securities Analysts; co-panelist with Marc Siegel (FASB) and Patricia McConnell (IASB), New York, NY; October 29, 2009.
- “How Will Regulatory and Accounting Reform Change Securitization,” sponsored by Morrison Foerster; October 13, 2009 and February 9, 2010.
- “Revenue Recognition: the Accounting Fraud Method of Choice,” sponsored by the New York City Bar; October 7, 2009.
- “Fair Value Accounting”, AICPA National Conference on Banks and Savings Institutions, co- presenter with Linda MacDonald, Washington DC; September 16, 2009.
- “Accounting for Derivatives: Current Industry Trends and Strategies on FAS 133,” sponsored by CPE Inc., Tyson’s Corner, VA; May 15-16, 2008 and May 17-18, 2007.
- “Hot Topics in Accounting,” American Bar Assoc. Business Law Section, Spring Meeting, Washington DC; March 17, 2007.
- “SEC Conference: An Accounting & Reporting Update for Public Companies,” sponsored by CPE, Inc., New York, NY; July 24-25, 2006.
- “Accounting for Derivatives: SFAS 133 & Beyond,” Sponsored by CPE, Inc; 1998-2007.
- “Implementing SFAS 133 for Banks,” AICPA Conference; 2000.