Analysis of Complex Transactions

In the context of the impending bankruptcy of a major corporation, Cornerstone Research worked with a finance expert to analyze a complex transaction that was alleged to constitute a fraudulent conveyance. Our analysis of the factors affecting the firm’s securities prices at the time the transaction was announced showed that the transaction actually enhanced the value of the corporation. Restating the corporation’s balance sheet on a market value basis confirmed that an increase in value resulted from the disputed transaction.