



JIM SCHRATZ

and ASSOCIATES

JIM SCHRATZ
President

- In *Department of Fair Employment and Housing v. United Dominion Realty* (Case Nos. 07CC12067, 02CC12069) the court accepted our audit findings stating, "In awarding fees in these amounts, the court has fully accepted the declaration of James P. Schratz in opposition to the motion, including all of his recommended reductions. The court finds his qualifications to be impressive. Likewise his reasoning as to why the fees sought are excessive is persuasive."
- Retained by investor Carl Icahn and other shareholders as special litigation counsel to review approximately \$60 million in professional fees in *In re Tropicana Entertainment, LLC, et al*, Case No. 08-10856 (KJC) ("Tropicana") in the United States Bankruptcy Court for the District of Delaware.
- Retained by investor Carl Icahn and other shareholders to serve as special litigation counsel to review approximately \$8 million in legal fees in *In re Adamar of New Jersey, Inc. and Manchester Mall, Inc.*, Case No. 09-20711 and 09-20716 in the United States Bankruptcy Court for the District of New Jersey.
- Appointed by District Court in Northern Mariana Islands to audit \$22 million in legal fees in *The Estate of Larry Lee Hillblom*, one of the founders of DHL Express, whose estate was estimated to be worth \$1 billion.
- Retained by the State of Wisconsin to audit a fee request of \$42 million.
- Retained by the State of Hawaii, Department of the Attorney General; State of Georgia, Department of Transportation; State of California, Department of Insurance and Department of Justice, to conduct legal fee audits of tens of millions of dollars.
- Retained by the U. S. Department of Justice, U.S. Department of Forestry, FDIC and RTC to conduct legal fee audits on behalf of the Federal Government.
- Retained by the City and County of San Francisco, California; City of Huntington Beach, California; City of Pittsburgh, Pennsylvania; City of Sunrise, Florida; and numerous other governmental agencies.

LEGAL FEE AUDITS * INSURANCE BAD FAITH * EXPERT WITNESS TESTIMONY

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- Retained by major national retailer to audit \$9 million in legal fees.
- Qualified as expert witness on issues involving reasonableness of attorneys' fees and proper claims handling procedures in state and federal court.
- Appointed as arbitrator to the State Bar of California's Mandatory Fee Arbitration Program.
- Appointed as arbitrator for cases filed in Sonoma County Courts.
- Conducted over 800 legal audits of various law firms throughout the country.
- Described by the American Bar Association Journal as a "major player in the field of legal fee audits."
- Quoted frequently in The Wall Street Journal, The American Lawyer, The National Law Journal, and numerous other publications.
- Delivered paper to the 1995 National Convention of Risk Managers on the bad faith liability of the insurance industry for mismanagement of legal fees.
- Retained as consultant and independent expert witness by both insureds and insurance companies to evaluate the claims handling procedures and policies of numerous insurance companies.
- Consultant to California Department of Insurance.

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1985 to 1990

Assistant Vice President, Major Litigation Unit, Fireman's Fund Insurance Company

- Personally supervised over 100 legal audits of outside defense counsel with special attention to proper claims handling and Fireman's Fund's obligations to its insureds.
- Personally supervised and testified in *Fireman's Fund v. Irvings Savings Bank*, which resulted in a \$7 million recovery.
- Responsible for successful settlement of the \$65 million bankruptcy of The Woodson Company and the multi-million-dollar extra contractual claims from approximately 200 insureds.

1983 to 1985

Director, Corporate Litigation, Fireman's Fund Insurance Company

- Established and supervised 16-member Major Litigation Unit with nationwide responsibility for construction defect, land subsidence, sexual molestation and other labor intensive, high profile cases with special emphasis on assuring proper claims handling techniques.
- Shared responsibility for supervising all extra-contractual suits against Fireman's Fund Insurance Company.

1980 to 1983

Assistant General Counsel, Fireman's Fund Insurance Company

1978 to 1980

Associate, Rosenblum, Fenolio, Parish, Jack & Bacigalupi, San Francisco

1976 to 1978

Associate, Heller, Ehrman, White, & McAuliffe, San Francisco

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EDUCATION:

University of San Francisco Law School, J.D., 1976
Editor-in-Chief, Law Review, Graduated Top 5%

University of Illinois, M.A. Political Science, 1972

State University of New York at Buffalo, B.A., 1969

- Taught at various law schools and universities in the Bay Area and lectured throughout the United States and in Europe.
- References furnished upon request.

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PUBLICATIONS

April 1991, "Managing Insurer, Insured Conflicts of Interest by Use of Independent Counsel," American Bar Association, Section of Litigation, Committee on Insurance, Mid-Year Meeting

June 1992, "Do The Right Thing," California Lawyer

June 1992, "Resolving the Cumis Quandary: Guidelines for Reasonable Fees," Insurance Litigation Reporter

October 1992, "The Alliance Lives," Underwriters Report

October 1992, "The Need For Legal Audits," Verdict

February 1993, "Cumis Counsel's Obligation To Provide Information To The Insurance Company," American Bar Association, Insurance Coverage Litigation Committee, Mid-Winter Meeting

Spring 1993, "The Other Side of the Cumis Coin: The Insurer's Ability To Select Associate Defense Counsel Under Civil Code, Section 2860 (f)" (with Jon R. Mower), Western State Law Review

July 1993, "Is Your Insurance Company Doing Enough To Fight Fraud?" Risk Management

July 1993, "Why We Lost The Battle Against Insurance Fraud," Claims

September 1993, "Customer Satisfaction - The Secret Weapon in Law Firm Marketing," Washington State Bar News

October 1993, "Tactical Defenses: An Insurance Company's Guide to Working with Cumis Counsel" (with Jon R. Mower), Claims

October 1993, "Fighting Insurance Fraud Takes Persistence," Missouri Agent

Spring 1994, "Legal Auditing Makes Sense," Legal Audit Review

September 1994, "Empowering Adjusters For Creative Solutions," Best's Review

February 1995, "How To Avoid A Fee Dispute With Your Client," American Bar Association, Insurance Coverage Litigation Committee (with Susan R. Brown)

February 1995, "Billing Guidelines and Fee Disputes," American Bar Association, Insurance Coverage Litigation Committee

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April 1995, "Bad Faith for Legal Work? Your Insurer May Be Liable for Mishandling Its Lawyers," Claims Magazine

April 1995, "Is Your Company's Insurance Firm Guilty of Litigation Mismanagement?" The American Lawyer's Corporate Counsel Magazine

May 1995, "Billing Guidelines and Fee Disputes: A Case Law Review," Trial Diplomacy Journal, Volume 18, Number 3

July 1995, "How to Avoid Fee Disputes" (with Susan Brown), The Practical Litigator, Volume 6, Number 4

April 1996, "Take A Psychological Approach To Managing Legal Fees," Claims

May 1996, "Cross-Examining the Legal Auditor," The Practical Litigator, Volume 7, Number 3

August 1996, "Is your Insurance Company Liable for Bad Faith Litigation Management," Business Laws, Inc., Litigation Management

August 1996, "Is Your Company's Insurance Firm Guilty of Litigation Mismanagement," Business Laws, Inc.'s Law Department Management Adviser, Issue No. 149

Fall 1996, "Cross-Examining a Legal Auditor," American Journal of Trial Advocacy, Volume 20:1

November 1996, "Cross-Examining a Legal Auditor," Business Laws, Inc., Law Department Management Adviser, Issue No. 152

August 1997, "The Recovery of Legal Fees and the Use of A Legal Fee Auditor in Fee-Shifting Cases" (with Susan R. Brown), Business Laws, Inc., Law Department Management Adviser

September-October, 1997, "Recovering Legal Fees and using Legal Fee Auditors" (with Susan R. Brown), Trial Diplomacy Journal, Volume 20, Number 5

Winter 1997, "How to Avoid a Fee Dispute with Your Client," (with Susan R. Brown), American Bar Association The Brief, Vol. 26, No. 2

March, 1998, "How the Legal Auditor Can Help You in the Fee-Shifting Case" (with Susan R. Brown), The Practical Litigator, Volume 9, Number 2

March/April 1998, "Strategic Inflection Points in the Legal Profession," American Journal of Trial Advocacy

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April 1998, "Controlling the Uncontrollable: When Insurers Must Pay Plaintiff's Legal Fees," Commercial Claims

July 1998, "Strategic Inflection Points in the Legal Profession," Business Laws, Inc., Law Department Management Adviser

Summer 1998, "I Told You to Fire Nicholas Farber -- A Psychological and Sociological Analysis of Why Attorneys Overbill," *Rutgers Law Review*, Vol 50; No. 4.

April 2001, "Winning an Attorney's Fee Petition," Rhode Island Bar Journal, Volume XLIX, Number 7
May 2001, "How To Win a Fee Petition," The Practical Litigator, Volume 12, Number 3

August 2001, "How To Win a Fee Petition," The Federal Lawyer, Volume 48, Number Seven

December 2001, "How To Win a Fee Petition: What the Plaintiff Should Avoid, What the Defendant Should Look For," Business Laws, Inc., Law Department Management Adviser

April 2002, "How to Win a Fee Petition: What the Plaintiff Should Avoid, What the Defendant Should Look For," Business Laws, Inc., Corporate Counsel's Guide to Litigation Management

May 31, 2002, "Ballooning Costs – Avoiding Questionable Billing Practices Improves Chance of Recovering Fees," Los Angeles Daily Journal, Dicta

December 14, 2010, "Winning a Fee Application in Hawaii," Hawaii Bar Journal

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