

Case Study: Accelerate Out of Court Workouts

CHALLENGE:

Bankruptcy (Chapter 11) is not an option for any cannabis related business or investor because from a federal perspective, it is breaking the law. No bankruptcy judge will touch any business associated with cannabis. As you can imagine, this creates tension and disputes between creditors and business owners when things go sideways, just as they did for one of Strongbow Advisor's Colorado clients. After an attempt to file a Chapter 11, a cannabis business was put into a receivership that was not going well. Strongbow's team was brought in to help clean things up. The operation had a multitude of legal entities, very little cash left in the bank, a box of financial documents in a warehouse and payroll was looming.

SOLUTION:

In a matter of days after posting the documents to Valid8, the Strongbow team was able to identify missing statements, trace the flow of funds through a myriad of legal entities, and quantify what was owed and what was not, to create context of the legal and financial landscape which quickly led to accelerated settlement discussion with relevant parties.

- Discovery time was compressed by Valid8 by fully verifying reconciled data within hours, as each iteration of documents was uploaded to gain a complete picture of the operation from a handful of physical document boxes covering numerous related and unrelated entities.
- The ability to identify specific missing periods/statements for various accounts helped strengthen subpoena requests.
- The comprehensive analysis not only identified additional assets to be included in the settlement, but the clarity and specificity helped accelerate the outcome.

"We are in the business of shortening the time to resolution... The business was losing money, things were breaking, and we didn't have the luxury of time to pursue things to the ends of the earth."

"Given the box of documents, there was no way to get a handle on things in a reasonable timeframe that would hold up in Court/civil suit without Valid8."

OUTCOME:

- Strongbow uploaded boxes of documents and statements to Valid8, each statement was identified, transactions extracted and reconciled against the period balances.
- Patent pending matching algorithms identified transfers between accounts and entities to automate identification of undisclosed assets.
- After a quick analysis and 1-click export to Excel, Strongbow presented evidence to the attorneys who were able to work out a settlement without the hassle and cost of complex litigation.

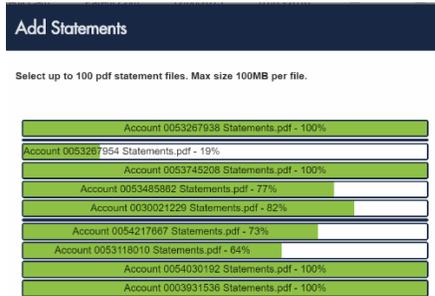
*Strongbow
Advisors, INC*

**Robert Stevens &
Fred Green**
Principal, Directors

"Being able to identify a very specific time frame for which additional statements were required, sped up and strengthened our Subpoena requests."

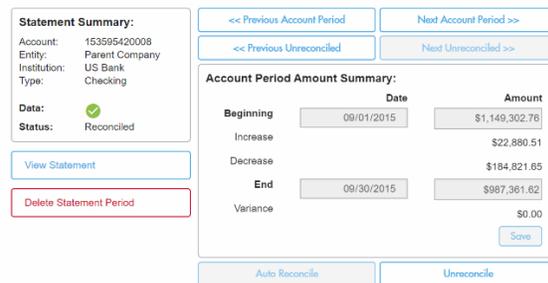
No Templates Required

- Upload any PDF from any institution in any format.



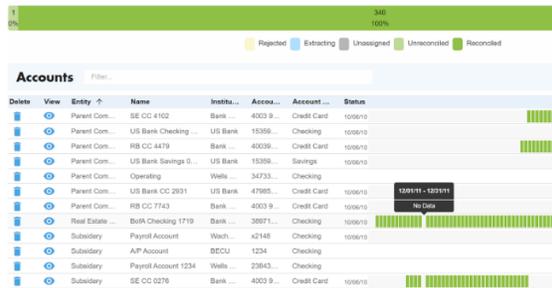
Automated Reconciliation

- Fully reconciled data returned in less than 24 hours.



Realtime Data Status

- Simple visuals to understand what data you have and what state it's in.



Interactive Data Visualization

- Visualize categorized sources flowing into categorized uses through a network of accounts.

