Navigating uncertainty is a hallmark of Duff & Phelps. Our clients routinely engage us to help them solve critical challenges related to their people, assets, data and operations. We are now assessing their unique requirements arising from COVID-19 and the associated global economic downturn.

Following is a summary of relevant service offerings, points of contact and supporting material from our website. In addition, our COVID-19 Resource Center is continually refreshed with new insights.

### COVID-19 Risk Management Services (click to go to section)

<table>
<thead>
<tr>
<th>Service Offering</th>
<th>Related Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crisis Management and Business Continuity</td>
<td>Fair Value Mark to Market</td>
</tr>
<tr>
<td>Cyber Risk</td>
<td>Goodwill and Asset Impairment</td>
</tr>
<tr>
<td>Corporate Restructuring and Debt Advisory</td>
<td>Fairness and Solvency Opinions</td>
</tr>
<tr>
<td>Cash and Liquidity Management</td>
<td>Cost of Capital</td>
</tr>
<tr>
<td>Distressed M&amp;A and Special Situations</td>
<td>Current Expected Credit Loss (CECL)</td>
</tr>
<tr>
<td>Fraud and Investigations</td>
<td>Compliance and Regulatory Consulting</td>
</tr>
<tr>
<td>Disputes Consulting</td>
<td>Compliance Risk and Diligence</td>
</tr>
</tbody>
</table>

### Crisis Management and Business Continuity

- Expert, onsite assistance and ability to act as an embedded member of your crisis management team, and/or provide virtual ongoing emergency response support
- Creation and implementation of emergency preparedness and emergency action plans in response to existing or emerging concerns including methods of facility shutdown and downsizing of staff
- Business continuity plans for immediate, medium and long-term concerns of corporate viability
- Assess pandemic risks within your organization or across your third-party ecosystem using CyberClarity360
- Create call centers to provide FAQ support on behalf of clients whose call centers are being inundated and provide direct communication to customers about CV19 and related topics

**Contact:**  
- Tim Horner  +1 212 833 3366  
- Jordan Strauss  +1 215 983 1893

**Learn More:**  
- Crisis Management and Business Continuity  
- First Defense Call Centers Now Available to Support COVID-19 Inquiries  
- Videos: Watch our 2-minute Security Talks series on Kroll’s YouTube Channel

### Cyber Risk

- Harden email systems to help mitigate against scams and phishing attacks
- Quickly respond to any security events with our elite team of incident responders
• Roll out employee awareness and training programs to build a stronger security culture
• Guide security of cloud applications and remote work structure (VPNs, BYOD, etc.)

**Contact:**  [Jason Smolanoff](tel:+1 213 443 6055)  +1 213 443 6055

**Learn More:**  [Sustaining IT Operations in a Crisis](#)
[Webcast: Expert Advice for Businesses Navigating Strategic, Operational and Cyber Threats as a Result of COVID-19](#)
[How to Avoid the Latest COVID-19 Cryptocurrency Scams](#)

---

**Corporate Restructuring and Debt Advisory**

• Working capital and supply chain management
• Profitability analyses and forecasts based on reduced revenue to determine working capital requirements
• Raising equity/debt advisory and forecasting (short/long-term modelling)
• Independent third party in negotiations with financiers, suppliers and landlords for extended or revised payment

**Contact:**  [Paul Clark](tel:+44 20 7089 4710)  +44 20 7089 4710

**Learn More:**  [Corporate Restructuring and Debt Advisory](#)
[Restructuring and Strategic Advisory for COVID-19](#)
[European Mid-Market Debt Snapshot: Special COVID-19 Update](#)

---

**Cash and Liquidity Management**

• Cash optimization to identify opportunities to decelerate burn rate and preserve liquidity
• Working capital analysis to assess options to accelerate collections and use liabilities as a source of funding
• Operational analysis to identify strategic alternatives that bolster financial strength or business sustainability
• Cash flow modeling and sensitivity analysis on debt service and covenant requirements

**Contact:**  [Ray Newman](tel:+1 212 871 7144)  +1 212 871 7144

**Learn More:**  [Transaction Advisory Services](#)

---

**Distressed M&A and Special Situations**

• Identify and investigate potential problems and assess available financial and operational strategies
• Assist with Chapter 11 restructurings, reorganizations, recapitalizations, DIP and exit financings, strategic alternatives, working capital and cash management, distressed M&A and special situations transactions

**Contact:**  [Josh Benn](tel:+1 212 450 2840)  +1 212 450 2840
[Brian Cullen](tel:+1 424 249 1650)  +1 424 249 1650

**Learn More:**  [Distressed M&A and Special Situations](#)
[Preserving Private Equity Returns Amid Current Conditions](#)
Fraud and Investigations

- Fraud, bribery and corruption prevention and detection through data analytics and investigative expertise
- Investigating red flags, financial irregularities, fraud and wrongdoing

**Contact:**  Tom Everett-Heath  +44 20 7029 5067

**Learn More:**  [Financial and Regulatory Investigations](#)  [Investigative Due Diligence](#)  [Kroll COVID-19 Heat Map Provides Forecasted Impacts of the Pandemic](#)

Disputes Consulting

- Advisory to boards of directors, c-suite and their legal advisers, relating to crisis management, internal investigations, risk assessments and mitigation strategies, business continuity planning, vendor management, risk disclosures and governance
- Expert consultancy, analysis and testimony in connection with disputes and investigations resulting from regulatory/law enforcement, shareholder, and/or counterparty actions, including fraud and forensic investigations, market manipulation, share price declines and illegal trading schemes
- Consultancy relating to strategies for dealing with financial and other impacts on businesses as a result of the crisis and declines in market value, including asset valuations, damages calculations, structural optimizations, reorganizations and bankruptcies

**Contact:**  Ken Joseph  +1 646 867 7864

**Learn More:**  [Commercial Disputes and Litigation](#)  [Preparing for the Economic Impact of COVID-19 on Pending M&A Transactions](#)  [Impact of the Coronavirus on Business Interruption Claims and Damages](#)

Fair Value Mark to Market

- Many alternative asset managers and their investors (LPs) report fair value of investments on a quarterly basis
- The combination of changing market inputs (yields and/or quoted/traded prices); increased market volatility (and cost of capital) and potential business impacts and disruptions may indicate meaningful declines in asset values from December 2019 to March 2020.
- Clients may need assistance with assessing risks and the value impact, particularly where there is no active market.

**Contact:**  Chris Franzek  +1 212 871 7549

**Learn More:**  [Webcast Replay: Coronavirus Impact on Valuing Investments in Private Debt and Equity](#)  [Measuring Fair Value in Times of Significant Uncertainty](#)  [David Larsen Discusses How to Value LP Stakes in Light of COVID-19 Portfolio Valuation](#)
Goodwill and Asset Impairment

▪ Under both US GAAP and IFRS, companies are required to perform an impairment test for goodwill and indefinite-lived intangible assets at least annually, and upon a triggering event (indicator of impairment).
▪ The combination of increased market volatility, declines in market capitalization, revised short-term and long-term expected cash flows, and potential business impacts / disruptions may call for a triggering event assessment.
▪ Equity method investments may also need to be tested for impairment based on current market conditions.
▪ Clients who do not perform an interim test may need assistance documenting that no triggering event occurred.

Contact: Greg Franceschi +1 650 798 5570

Goodwill Impairments Should Not Be a Foregone Conclusion
Goodwill and Intangible Asset Impairment Services

Fairness and Solvency Opinions

▪ Independent opinions on debt for equity conversions, debt exchanges and reasonably equivalent valuations
▪ Public company surplus opinions for quarterly dividends in the declining market environment
▪ Board advisory on going-private transactions given the fall in stock price
▪ Fairness and solvency opinions related to share repurchase authorizations

Contact: Chris Janssen +1 312 697 4643

Learn More: Fairness and Solvency Opinions

Cost of Capital

▪ The Equity Risk Premium (ERP) is a key input used to calculate the cost of capital. Duff & Phelps regularly reviews fluctuations in economic and financial market conditions that warrant a periodic reassessment of the ERP.
▪ Duff & Phelps lowered its recommended U.S. ERP in December 2019 to 5.0%, reflecting the low perceived risk for equity investments.
▪ Since late February, approximately 3 years of equity market gains have been erased, while equity volatility measures are at similar levels last seen during the 2008 global financial crisis. Corporate credit spreads have also surged. In the meantime, projections for global economic growth have deteriorated significantly, with many economists predicting a global economic recession for 2020.
▪ Effective March 25, 2020, Duff & Phelps increased its recommended U.S. ERP to 6.0%, to be used in conjunction with a normalized risk-free rate of 3.0%. Many clients will need assistance understanding the basis for this change and implications to both its decision making and any fair value requirements, particularly if updating valuations for the March 31st quarter-end.

Contact: Carla Nunes +1 215 430 6149

Learn More: Webcast Replay: Cost of Capital in the Current Environment
Duff & Phelps Recommended U.S. Equity Risk Premium Increased from 5.0% to 6.0% Effective March 25, 2020
Cost of Capital Navigator
Current Expected Credit Loss (CECL)

- For many U.S. public companies, the FASB CECL effective date is March 31, 2020.
- Clients may need significant assistance assessing risks related to their loss reserves based on changing inputs including increased market volatility, potential business impacts and disruptions and significantly increased risk of default in estimating Fair Value.
- The Valuation Advisory Services team can help clients assess their loss reserves, estimate fair value within their financial statements and prepare appropriate footnotes.

**Contact:** Jonathan Jacobs +1 212 871 8013
Jennifer Press +1 212 450 2883

**Learn More:** Webcast Replay: COVID-19 Impact on Entities Subject to the New Current Expected Credit Loss Reporting Standards
CECL Standard Expected to Make a Major Impact

Compliance and Regulatory Consulting

- Business continuity guidance for asset management companies and financial institutions
- Incident and crisis management support for senior management
- Review of risk management processes

**Contact:** Monique Melis +44 20 7089 0820

**Learn More:** Contingency Planning and Compliance Support
Crisis Management for senior leaders
Risk Management

Compliance Risk and Diligence

- Operational risks identification through a complete global supply chain audit
- Mitigate supply chain disruption by proactively vetting and onboarding alternative suppliers
- Assess third-party and downstream vulnerabilities, such as their jurisdiction and business continuity plans
- Diversify your third parties to minimize overreliance on impacted jurisdictions

**Contact:** Dan Hartnett +1 571 521 6115

**Learn More:** The Role of Due Diligence in Mitigating Impact on Your Global Supply Chain
Understanding the Jurisdictional Risk of COVID-19
About Duff & Phelps
Duff & Phelps is the global advisor that protects, restores and maximizes value for clients in the areas of valuation, corporate finance, disputes and investigations, cyber security, claims administration and regulatory issues. We work with clients across diverse sectors on matters of good governance and transparency. With Kroll, the leading global provider of risk solutions, and Prime Clerk, the leader in complex business services and claims administration, our firm has nearly 4,000 professionals in 25 countries around the world. For more information, visit [www.duffandphelps.com](http://www.duffandphelps.com).

About Kroll
Kroll is the leading global provider of risk solutions. For more than 45 years, Kroll has helped clients make confident risk management decisions about people, assets, operations and security through a wide range of investigations, cyber security, due diligence and compliance, physical and operational security, and data and information management services. For more information, visit [www.kroll.com](http://www.kroll.com).

M&A advisory, capital raising and secondary market advisory services in the United States are provided by Duff & Phelps Securities, LLC. Member FINRA/SIPC. Pagemill Partners is a Division of Duff & Phelps Securities, LLC. M&A advisory, capital raising and secondary market advisory services in the United Kingdom are provided by Duff & Phelps Securities Ltd. (DPSL), which is authorized and regulated by the Financial Conduct Authority. Valuation Advisory Services in India are provided by Duff & Phelps India Private Limited under a category I merchant banker license issued by the Securities and Exchange Board of India.