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8

9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
11 SOUTHERN DIVISION

12 SECURITIES AND EXCHANGE
COMMISSION,

13 Plaintiff,

14 v.

15 MEDICAL CAPITAL HOLDINGS,
16 INC.; MEDICAL CAPITAL
CORPORATION; MEDICAL
17 PROVIDER FUNDING
CORPORATION VI; SIDNEY M.
18 FIELD; and JOSEPH J.
LAMPARIELLO,

19 Defendants.
20

Case No. 8:09-cv-0818-DOC (RNBx)

**DECLARATION OF MARK J.
CHANDLER IN SUPPORT OF
MOTION FOR ORDER APPROVING
(A) SALE OF LOANS MADE TO
TRACE LIFE SCIENCES, INC. AND
(B) BROKER'S FEE**

Date: May 2, 2011
Time: 8:30 a.m.
Ctrm: 9D
Judge: Hon. David O. Carter

21
22 I, Mark J. Chandler, declare as follows:

23 1. I am a Managing Director at the Philadelphia, Pennsylvania, office of
24 Invotex Group, the broker hired by Thomas Seaman ("Receiver") to list and market
25 the loans made by Medical Capital to Trace Life Sciences, Inc. ("Trace") for sale.
26 The following facts are within my knowledge and if called as a witness I would
27 testify to them under oath.
28

Mark J. Chandler, CLP, MBA

Mark J. Chandler
Managing Director

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Education and professional

- Bachelor of Science, Electrical Engineering, Bucknell University
- Master of Business Administration, The Wharton School of the University of Pennsylvania
- Certified Licensing Professional (CLP)

Employment

- Invotex Group
- Maryland First Financial Services Corp. and Intellectual Property Management & Finance LLC
- BTG plc
- CC Ventures, LLC
- Prism Therapeutics, LLC
- Allied Signal Corporation
- Monegon Corporation

Professional associations

- Licensing Executives Society
- Intellectual Property Owners Association
- Wharton Private Equity Partners
- National Association of Certified Valuation Analysts
- National Venture Capital Association
- Association of University Technology Managers

Current Position

Mark Chandler is a Managing Director with Invotex Group. He is responsible for providing a variety of consulting services in the areas of intellectual property and finance.

Professional Experience

Mr. Chandler has more than 23 years experience in the development, management and commercialization of advanced technology, the past 15 of which have been specializing on intellectual property assets.

Mr. Chandler's intellectual property experience includes overall responsibility for programs in intellectual property valuation and licensing, patent damages analysis and the development of intellectual property based partnerships. He has led teams in the development of technology licensing programs, the sale of intellectual property assets and the formation of new ventures centered on advanced technology. For patent litigation, he has prepared financial damages analysis for clients across many industries.

Clients have included North American and European universities, multinational corporations and venture capital funds. Mark has given presentations worldwide on building value in and extracting value from intellectual property assets.

Prior to joining Invotex Group, Mr. Chandler was Vice President and Head of Business Development for BTG plc, a technology investment and development company focused on emerging technologies in the life and physical sciences. Mr. Chandler also led his organization's corporate venture group with over \$50 million of capital and ten portfolio companies under management.

He has been involved in the creation or funding of more than ten companies in North America and Europe, in areas such as medical technology, medical information, advanced electronics and photonics. In addition, Mr. Chandler was on the Board of Directors of Primaxis Technology Ventures, Inc., a \$50 million Canadian early-stage venture fund he helped form as a joint initiative between BTG plc and the Royal Bank of Canada. He has also served on the Board of Directors for several early-stage venture-backed companies.

Mr. Chandler also formed Prism Therapeutics, a medical device development company specializing in minimally invasive surgical instrumentation. He has previously worked for the AlliedSignal

Corporation and Johns Hopkins University in the research, production and marketing of atomic clocks, precision measurement technologies and biomedical implantable devices.

Selected Papers, Publications and Presentations

- "Interactive Discussion on IP, Copyrights, and Patents," October 27, 2010, panel discussion at the Entrepreneurial Partnerships Innovation Conference (EPIC) in New York, NY.
- "Innovations in Translating University-Based Inventions," June 8, 2010, presentation at AUTM Spring Meeting, Atlanta, GA.
- "Patents, Finance and Commercialization," March 17, 2009, presentation to the Medical University of South Carolina, Charleston, SC.
- "Intellectual Property Valuation and Value – How to do it, and how to get it," April 1, 2008, presentation to LES Chapter Meeting, Philadelphia, PA.
- "Intellectual Property Valuation," April 17, 2007, presentation to the Osaka Chamber of Commerce, Osaka, Japan.
- "Emerging Medical Therapeutic Technologies: Intellectual Property and Value - Current and Future Issues," April 11, 2007, presentation for the Medical and Related Sciences (MaRS) Discovery District in Toronto, Canada.
- "Valuation of Intellectual Property," September 21, 2006, presentation to Federal Lab Consortium Regional Meeting, Cumberland, MD.
- "Law Seminar International: Complex Intellectual Property Licensing," May 23, 2006, presentation in Philadelphia, PA.
- "Licensing and Leverage for Start-ups – at Birth, Adolescence and Untimely Demise," April 20, 2006, presentation to LES Chapter Meeting, Baltimore, MD.
- "Law Seminar International: Complex Intellectual Property Licensing," May 20, 2005, presentation in Philadelphia, PA.
- "Financial Risk Management in Practice: The Known, The Unknown and The Unknowable in Venture Capital," January 6, 2005, presentation to Financial Risk Management Conference at the Wharton School of the University of Pennsylvania.
- "Emerging Technology: IP as Investment Assets," May 14, 2002, Kilpatrick Stockton LLP's IP Masters Teleconference Series.
- "Emerging Technology – Getting the Right Deal," March 19, 2002, Managing Emerging Technologies conference, London, UK.
- "Internet Resources, Enterprise Tools and Value Extraction," April 26, 2001, Intellectual Asset Management Seminar, Monte Carlo, Monaco.
- "Venture and Technology Strategies," December 5, 2000, Licensing Executives Society, New Jersey Chapter Meeting.