

UNITED STATES BANRUPTCY COURT
SOUTHERN DISTRICT OF FLORIDA
PALM BEACH DIVISION

_____x

In re:

Baron's Stores, Inc.

Debtor.

Case No. 97-25645-BKC-PGH
Chapter 11

_____x

I, Michael G. Kessler hereby declare under penalty of perjury:

DEPONENT'S QUALIFICATIONS

1. I am the president of MICHAEL G. KESSLER & ASSOCIATES, LTD., (hereinafter "MGKA" d/b/a KESSLER INTERNATIONAL). MGKA is a computer forensics, forensic accounting and corporate investigative firm licensed, *inter alia*, by the State of New York and Florida with its headquarters at 45 Rockefeller Plaza, Suite 2000, New York, NY. MGKA investigates computer and financial frauds and other kinds of crimes for governments, multi-national corporations and law firms. I am certified as a forensic accountant (CrFA), fraud examiner (CFE) board certified as a forensic examiner (BCFE) and certified as an Internal Controls Auditor (CICA). I have served on the Litigation Forensics Board of the National Association of Certified Valuation Analysts and currently serve as the chair of the American College of Forensic Examiners

International – Executive Board of Forensic Accounting. I also am a Diplomate of the Association of Forensic Accountants and hold a Fellowship in the Association of Forensic Examiners International. I am also a practicing member of the Academy of Experts in Europe.

2. I have been President of MGKA since 1990. Prior to going into private practice, I was employed from September 1988 to May 1990 as Deputy Inspector General for The New York Metropolitan Transportation Authority; from March 1987 to September 1988 as Chief of Investigations for the New York State Department of Taxation; from January 1987 to March 1987 as the Director of the New York State Department of Taxation's Revenue Crimes Bureau; from October 1979 to January 1987 as Assistant Chief Auditor/Investigator for the New York State Special Prosecutor (New York State Attorney General) and Principal Investigator and Auditor from January 1978 to October 1979. From 1973 through 1978, I was employed by Associated Hospital Services / Blue Cross of Greater New York.

3. On or about May 2, 2008, I was retained Meryl M. Lanson to examine, analyze and render an opinion of two documents that I understand to be the certified true and correct copies of the originals docketed in the United States Bankruptcy Court-Southern District of Florida on September 11, 1998. The documents are named First Amended Joint Plan of Liquidation of Debtor and Committee, and First Amended Joint Disclosure Statement of Debtor and Committee for In re: Baron's Stores, Inc. Case No. 97-25645-BKC-PGH.

FIRST AMENDED JOINT PLAN OF LIQUIDATION
OF DEBTOR AND COMMITTEE

4. Based upon my forensic examination and analysis of the First Amended Joint Plan of Liquidation of Debtor and Committee I have observed that pages one (1) through twenty three (23) of the document contain in the footer, a hard drive designation, file path, date and time. This document also contains one page labeled Exhibit "B" (AS REVISED CALCULATION OF RECOVERY FOR UNSECURED CREDITORS AS OF AUGUST 24, 1998 – listed as page -1-) and on a page labeled Exhibit "C" (AS REVISED IMPACT OF LIQUIDATING DEBTOR UNDER CHAPTER 7 OF THE BANKRUPTCY CODE AS OF AUGUST 24, 1998 listed as page -2-). Neither of these two pages contain footer information but both pages contain the remnants of a fax header indicating a date Aug 26 '98 09:15AM.

5. The footer information noted above on the first 23 pages is automatically generated by the word processing software and is printed on a document if the owner of the document inserts a code in the footer to have it create this information.

6. The examination of the footer information in this document revealed that pages one (1) through twenty two (22) of the document contain information that the data file was maintained on drive G in a file path labeled

\BANKRUPT\SSS\BARONS\LEGAL\POL.904. The date on each of those twenty two pages was listed as September 4, 1998 (11:00 am).

7. Page twenty three (23) of this document contains two signatures. One is purported to be of Sanford Glanzrock, a committee member and is hand written with a date of September 3, 1998 New York, New York and the other is purported to be of Norman Lanson which is hand written with a date of September 9, 1998 Fort Lauderdale, Florida. This page's footer contains different information then the previous twenty two. Although the same drive letter (G) is used to designate the drive the file was saved in, it contains a different file extension \BANKRUPT\SSS\BARONS\LEGAL\POL.903 and date September 3, 1998 (1:40 pm).

FIRST AMENDED JOINT DISCLOSURE STATEMENT
OF DEBTOR AND COMMITTEE

8. Based upon my forensic examination and analysis of the First Amended Joint Disclosure of Debtor and Committee I have observed that this document contains twenty seven (27) pages which is comprised of pages one (1) through twenty three (23) and two pages labeled twenty four (24) and two pages labeled as twenty five (25).

9. Identical to the other document I examined these twenty seven (27) pages contain information in the footer including a hard drive designation, file path, date and time.

10. My examination of pages one through 23 disclosed that all the page footers included a hard drive designation G and file path \BANKRUPT\SSS\BARONS\LEGAL\DS.904 and the date September 4, 1998 and the time 11:32 am.

11. The first page listed as 24 appearing in the document is a Signature page and contains two signatures including the purported signature of Sanford Glanzrock, a committee member and is handwritten with a date of Sept 3, 1998 New York, New York and Norman Lanson, President and is handwritten with a date of Sept 9, 1998 Fort Lauderdale, Florida. The footer information on this page provides the designation of the drive letter as G and the file path as \BANKRUPT\SSS\BARONS\LEGAL\DS.903. It also provides a date of September 3, 1998 and time of 10:22 am. Additionally the text at the top of this page has no correlation to the previous page listed as page 23 in the document.

12. The second page labeled as 24 in the same document contains just text and is the continuation of page 23. This page's footer information is identical to the first 23 pages and contains the date September 4, 1998 (11:32 am).

13. The next page in the document is labeled as 25. On this page the text continues from the second page 24 and contains the same footer information as the first 23 pages and the second page 24. Additionally it contains text which ends in the middle

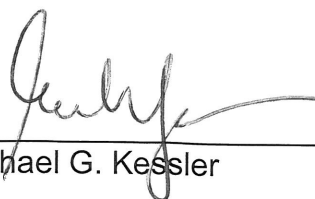
of the page in the middle of a sentence. Remarkably, this text continues on the first page labeled 24 containing the signatures.

14. The final page of the document also labeled as page 25 contains the purported signatures of Sonya L. Salkin, Esq. and Lawrence C. Gottlieb, Esq. This page contains footer information indicating that a hard drive designated as G and a file path of \BANKRUPT\SSS\BARONS\LEGAL\DS.903 stored the data file and also contains the computer generated date of September 3, 1998 (10:22 am).

15. It is my expert opinion, within a reasonable degree of forensic accounting and computer forensics certainty, that the signature pages on both sets of documents were generated at a different date and time as the remaining documents. Additionally I can conclude that someone tampered with these documents, modified them and/or altered them resulting in these documents not representing what they are presented to be. These documents have been falsified.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on: 2ND MAY 2008



Michael G. Kessler