

FTI Compass, LLC
Form S-4
December 15, 2006
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As filed with the Securities and Exchange Commission on December 15, 2006

Registration No. 333-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

FTI CONSULTING, INC.

(Exact name of registrant as specified in charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

8742
(Primary Standard Industrial
Classification Code Number)
500 East Pratt Street, Suite 1400

52-1261113
(I.R.S. Employer
Identification Number)

Baltimore, Maryland 21202

(410) 951-4800

SUBSIDIARY GUARANTORS LISTED ON SCHEDULE A HERETO

(Address, including zip code, and telephone number, including area code, of registrants principal executive offices)

Theodore I. Pincus

Executive Vice President and Chief Financial Officer

FTI Consulting, Inc.

909 Commerce Road

Annapolis, Maryland 21401

(410) 951-4800

(Name, address, including zip code, and telephone number, including area code, of agent for service of process)

With a copy to:

Joshua N. Korff, Esq.

Kirkland & Ellis LLP

153 E. 53rd Street

New York, New York 10022

(212) 446-4800

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: "

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Note	Proposed Maximum Aggregate Offering Price(1)	Amount of Registration Fee
7 ³ / ₄ % Senior Notes due 2016	\$ 215,000,000	100%	\$ 215,000,000	\$ 23,005
Guarantees of 7 ³ / ₄ % Senior Notes due 2016				(2)

- (1) The registration fee has been calculated pursuant to Rule 457(f)(2) under the Securities Act of 1933, as amended. The proposed maximum offering price is estimated solely for purpose of calculating the registration fee.
- (2) Pursuant to Rule 457(n), no additional registration fee is payable with respect to the guarantees.

The registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the registrants shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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	State or Other Jurisdiction of	I.R.S. Employer
Subsidiary Guarantor	Incorporation or Organization	Identification Number
FTI, LLC	Maryland	34-2025396
FTI Repository Services, LLC	Maryland	02-0736098
Lexecon, LLC	Maryland	20-0302099
Teklicon, Inc.	California	94-3000753
FTI Cambio LLC	Maryland	11-3750355
FTI IP, LLC	Maryland	11-3755429
FTI Compass, LLC	Maryland	42-1684514
FTI Investigations, LLC	Maryland	42-1684517
FTI FD LLC	Maryland	20-5486544
Competition Policy Associates, Inc.	District of Columbia	33-1034453
FTI International Risk, LLC	Maryland	20-5077240
FTI BKS Acquisition LLC	Maryland	20-5335078
FD US Communications Inc.	New York	13-3128710
FD MWA Holdings Inc.	Delaware	05-0579952
Dittus Communications Inc.	District of Columbia	52-2166439
FTI Holder LLC	Maryland	20-5982129
International Risk Limited	Delaware	65-1197096

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The information in this prospectus is not complete and may be changed. We may not complete the exchange offer and issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell securities and it is not soliciting an offer to buy these securities in any state where the offer is not permitted.

Subject to completion, dated December 15, 2006

PROSPECTUS

FTI Consulting, Inc.

Offer to Exchange

\$215,000,000 Aggregate Principal Amount of 7³/₄% Senior Notes due 2016

that have been registered under the Securities Act of 1933, as amended,

for any and all outstanding

\$215,000,000 Aggregate Principal Amount of 7³/₄% Senior Notes due 2016

We hereby offer, upon the terms and subject to the conditions set forth in this prospectus and the accompanying letter of transmittal (which together constitute the exchange offer), to exchange up to \$215,000,000 aggregate principal amount of our registered 7³/₄% Senior Notes due 2016, which we refer to as the exchange notes, in denominations of \$2,000 in principal amount and integral multiples of \$1,000 in excess thereof, for a like principal amount of our outstanding 7³/₄% Senior Notes due 2016, which we refer to as the old notes. We refer to the old notes and the exchange notes collectively as the notes. The terms of the exchange notes are substantially identical to the terms of the old notes in all material respects, except for the elimination of some transfer restrictions, registration rights and special provisions relating to the old notes.

We will accept for exchange any and all old notes validly tendered and not withdrawn prior to 5:00 pm., New York City time, on , 2007 unless extended. We will not receive any proceeds from the exchange offer.

We have not applied, and do not intend to apply, for listing of the notes on any national securities exchange or automated quotation system.

You should carefully review the Risk Factors beginning on page 11 of this prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is _____, 2006

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We have not authorized anyone to give you any information or to make any representations about us or the transactions we discuss in this prospectus other than those contained in this prospectus. If you are given any information or representations about these matters that is not discussed in this prospectus, you must not rely on that information. This prospectus is not an offer to sell or a solicitation of an offer to buy securities anywhere or to anyone where or to whom we are not permitted to offer or sell securities under applicable law. The delivery of this prospectus does not, under any circumstances, mean that there has not been a change in our affairs since the date of this prospectus. Subject to our obligation to amend or supplement this prospectus as required by law and the rules of the Securities and Exchange Commission, the information contained in this prospectus is correct only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of these securities.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of these exchange notes. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for securities where those securities were acquired by this broker-dealer as a result of market-making activities or other trading activities. We have agreed that, starting on the expiration date and ending on the close of business 180 days after the expiration date, we will make this prospectus available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

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ADDITIONAL INFORMATION

This prospectus is part of a registration statement on Form S-4 that we have filed with the Securities Exchange Commission, or SEC, under the Securities Act of 1933, as amended, or the Securities Act. This prospectus does not contain all of the information set forth in the registration statement. For further information about us and the exchange notes, you should refer to the registration statement. This prospectus summarizes material provisions of contracts and other documents to which we refer you. Since this prospectus may not contain all of the information that you find important, you should review the full text of these documents. We have filed these documents as exhibits to our registration statement.

The registration statements (including exhibits and schedules thereto) and the annual, quarterly and special reports, proxy statements and other information we file with the SEC may be read and copied at the public reference facilities of the SEC, 100 F Street, N.E. Room 1580, Washington D.C. 20549. Please call the SEC at 1-888-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public from the SEC's web site at www.sec.gov or from our web site at www.fticonsulting.com. However, the information on our web site does not constitute a part of this prospectus.

You should rely only upon the information provided in this prospectus. We have not authorized anyone to provide you with different information. You should not assume that the information in this document is accurate as of any date other than that on the front cover of this prospectus.

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CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, or the Exchange Act. Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, compensation arrangements, financing needs, plans or intentions relating to acquisitions, business trends and other information that is not historical information and, in particular, may appear under the headings Prospectus Summary, Risk Factors, Management's Discussion and Analysis of Financial Condition and Results of Operations and Business. When used in this prospectus, the words *estimates*, *expects*, *anticipates*, *projects*, *plans*, *intends*, *believes*, *forecasts* and variations of such words or similar expressions are intended to identify forward-looking statements. All forward-looking statements, including, without limitation, management's examination of historical operating trends, are based upon our current expectations and various assumptions. Our expectations, beliefs and projections are expressed in good faith and we believe there is a reasonable basis for them. However, there can be no assurance that management's expectations, beliefs and projections will result or be achieved.

There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in this prospectus. Important factors that could cause our actual results to differ materially from the forward-looking statements we make in this prospectus are set forth in this prospectus, including under the heading Risk Factors. As stated elsewhere in this prospectus, such risks, uncertainties and other important factors relate to, among others:

retention of qualified professionals and senior management;

conflicts resulting in our inability to represent certain clients;

former employees joining competing businesses;

ability to manage utilization and pricing rates;

ability to integrate the operations of FD International (Holdings) Limited;

ability to adapt to operating in non-U.S. markets;

ability to replace senior managers and practice leaders who have highly specialized skills and experience;

ability to find suitable acquisition candidates or take advantage of opportunistic acquisition situations;

fluctuations in revenues, operating income and cash flows;

compliance with the Foreign Corrupt Practices Act;

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damage to our reputation as a result of claims involving the quality of our services;

unexpected terminations of client engagements;

competition;

costs of integrating recent and any future acquisitions;

industry trends;

ability to manage growth;

changes in demand for our services;

non-payment of notes receivable; and

changes in our leverage.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date of this prospectus and are expressly qualified in their entirety by the cautionary statements included in this prospectus. We undertake no obligation to publicly update or revise any forward-looking statements to reflect subsequent events or circumstances and do not intend to do so.

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PROSPECTUS SUMMARY

This summary contains select information about FTI Consulting, Inc. It likely does not contain all the information that is important to you. You should read the entire prospectus, including the consolidated financial statements and related notes thereto, before making an investment decision. Except in the context of historical financial data, or as otherwise indicated herein, or as the context may otherwise require, references to FTI, we, us, our, Company and similar terms refer to FTI Consulting, Inc., a Maryland corporation, and its subsidiaries after giving effect to the Transactions described in this prospectus. The term FD refers to FD International (Holdings) Limited and its subsidiaries. FTI, through its wholly owned subsidiary, acquired approximately 97% of the outstanding share capital of FD as of October 4, 2006. References to pro forma financials include the effects of the Transactions, defined below.

FTI Consulting, Inc. is a leading global consulting firm to organizations confronting the critical legal, financial and reputational issues that shape their futures. Our experienced teams of professionals, many of whom are widely recognized as experts in their respective fields, provide high-caliber consulting services to a broad range of clients. We believe clients retain us because of our recognized expertise and capabilities in highly specialized areas, as well as our reputation for satisfying clients' needs. During 2005, we staffed large and complex assignments for our clients, which include 97 of the top 100 U.S. law firms, 9 of the 10 largest U.S. bank holding companies and 66 corporate clients in the Fortune 100.

Our professionals have experience providing testimony in many areas, including: fraud, damages, lost profits, valuation, anti-trust and anti-competition, accountant's liability and malpractice, contract disputes, patent infringement, price fixing, purchase price disputes, solvency and insolvency, fraudulent conveyance, preferences, disclosure statements, trademark and copyright infringement and the financial impact of government regulations. We have strong capabilities in highly specialized industries, including telecommunications, healthcare, transportation, utilities, chemicals, energy, commercial and investment banking, pharmaceuticals, tobacco, retail and information technology. As of September 30, 2006, we had 1,162 revenue-generating professionals which increased to 1,557 as a result of the acquisition of FD. We currently have operations across 25 U.S. cities, as well as the U.K., Ireland, France, Russia, Australia, India, China, Hong Kong, Japan, Singapore, United Arab Emirates and South Africa.

As of October 4, 2006, we completed our acquisition of approximately 97% of the share capital of FD, a global strategic business and financial communications consulting firm headquartered in London. FD provides consulting services related to financial communications, brand communications, public affairs and issues management and strategy development. In the first quarter of 2007, we anticipate acquiring the remaining approximately 3% of share capital of FD that is outstanding. The total cost (including the cost of acquiring the approximately 3% of the share capital of FD that is outstanding) is anticipated to be approximately \$260.6 million, including transaction costs. The total acquisition cost consists of approximately \$225.8 million in cash, about 1.2 million shares of restricted common stock, loan notes payable to the certain sellers of FD shares in the aggregate principal amount of approximately \$6.9 million, and deferred purchase obligations. Based in London, we believe FD is a world leading provider of strategic business and financial communications consulting services for major international corporations.

We operate through the five business segments listed below.

Forensic/Litigation Consulting

We are a leading provider of forensic/litigation consulting services in the U.S. This practice provides an extensive range of services to assist clients in all phases of litigation, including pre-filing, discovery, jury selection, trial preparation, expert testimony and other trial support

services. Specifically, we help clients assess

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complex financial transactions, reconstruct events from incomplete and/or corrupt data, uncover vital evidence, identify potential claims and assist in the pursuit of financial recoveries and settlements. We also provide asset tracing and fraud investigation services. Our graphics services at trial and technology and electronic evidence experts assist clients in preparing for and presenting their cases in court. Through the use of proprietary information technology, we have demonstrated our ability to help control litigation costs, expedite the trial process and provide our clients with the ability to readily organize and access case-related data.

As of September 30, 2006, we had 389 revenue-generating professionals in our forensic/litigation consulting segment.

Corporate Finance/Restructuring Consulting

We believe we are the largest corporate finance/restructuring consulting practice in the U.S. Our corporate finance/restructuring practice provides turnaround, performance improvement, lending solutions, financial and operational restructuring, restructuring advisory, mergers and acquisitions, transaction advisory and interim management services. We analyze, recommend and implement strategic alternatives for our corporate finance/restructuring clients, offering services such as interim management in turnaround situations, rightsizing infrastructure, assessing long-term enterprise viability and business strategy consulting. We assist underperforming companies as they make decisions to improve their financial condition and operations. We lead and manage the financial aspects of in-court restructuring processes by offering services that include an assessment of the impact of a bankruptcy filing on the client's financial condition and operations. We also assist our clients in planning for a smooth transition into and out of bankruptcy, facilitating the sale of assets and arranging debtor-in-possession financing. Through FTI Palladium Partners, we help financially distressed companies implement their plans by providing interim management teams.

As of September 30, 2006, we had 333 revenue-generating professionals in our corporate finance/restructuring practice.

Economic Consulting

We are a leading provider of economic consulting services in the U.S. and deliver sophisticated economic analysis and modeling of issues arising in mergers and acquisitions and other complex commercial and securities litigation. Our economic consultancy business segment includes the Lexecon and Compass practices, both highly respected brands in the economic consulting industry. Within our economic consulting practice, we provide our clients with analyses of complex economic issues for use in legal and regulatory proceedings, strategic decision-making and public policy debates. We are also in the business of advising on developing and implementing concrete strategies for driving revenue growth and profitability. Our statistical and economic experts help companies evaluate issues such as the economic impact of deregulation on a particular industry or the amount of commercial damages suffered by a business. We have deep industry experience in such areas as commercial and investment banking, telecommunications, energy, transportation, healthcare and pharmaceuticals. Our professionals regularly provide expert testimony on damages, rates and prices, valuations, merger effects, intellectual property disputes in antitrust cases, regulatory proceedings and valuations.

As of September 30, 2006, we had 202 revenue-generating professionals in our economic consulting segment.

Technology Practice

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In January 2006, we announced the separation of our technology consulting business into a separate business segment. Previously, our technology business was combined with our forensic/litigation consulting

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segment. This segment consists of our electronic evidence and e-discovery practice group, the complex litigation data analysis practice group, the software development group and our application services provider and documents analytics business. Our repository services offer clients a secure extranet and web-hosting service for critical information. Previously, our technology practice was operated as part of our forensic/litigation consulting segment.

As of September 30, 2006, we had 238 revenue-generating professionals in our technology segment.

Strategic Communications Consulting (formerly FD)

We manage FD, which we acquired as of October 4, 2006, as our strategic communications consulting segment. Through this segment, we provide advice and consulting related to four practices comprising financial communications, brand communications, public affairs and issues management, and business consulting. FD has a leading position in its core service offerings and a successful track record. Distinct from other strategic communications consultancies, FD has developed a unique, integrated offering that incorporates a broad scope of services, diverse sector coverage and global reach. This allows FD to advise clients from almost every major business center in the world on strategic communications issues. In addition, FD has won numerous accolades in recent years, including the 2006 International Consultancy of the Year award from PRWeek, a leading trade publication for the public relations and communications industry. With the Acquisition of FD, we achieve an important strategic objective of further expanding internationally. FD brings 476 employees in Western Europe, the U.S., Asia, the Middle East and Russia and a roster of over 750 global clients many of which are leading bluechip companies. The acquisition of FD also contributes to our cross-border execution capabilities and establishes a stronger U.K. presence, in a region where, historically, our start-up expenses have been a burden to financial performance.

As of October 4, 2006, the strategic communications consulting segment currently has approximately 395 revenue-generating professionals.

Corporate Information

FTI Consulting, Inc. is a Maryland corporation. We are a publicly traded company with common stock listed on the New York Stock Exchange, or NYSE, under the symbol FCN.

Our executive offices are located at 500 East Pratt Street, Suite 1400, Baltimore, Maryland 21202. Our telephone number is (410) 951-4800. Our website is www.fticonsulting.com.

The Transactions

As of October 4, 2006, we completed our acquisition of approximately 97% of the share capital of FD, and all of the preferred finance securities of FD International 2 Limited through our wholly-owned subsidiary. In the first quarter of 2007, we expect to acquire the approximately 3% of FD share capital that is outstanding. The total cost (including the cost of acquiring the approximately 3% of the share capital of FD that is outstanding (collectively, the Acquisition)) is anticipated to be approximately \$260.6 million, including transaction costs.

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To finance the Acquisition, we issued \$215.0 million of old notes and we amended and restated our previous senior secured credit facility to provide for borrowings of up to \$150.0 million (the amended and restated senior secured credit facility), \$40.0 million of which was borrowed on October 3, 2006 (the Closing Date). In addition, we issued approximately \$6.9 million in aggregate principal amount of loan notes and approximately

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1.1 million of restricted common stock valued at approximately \$26.1 million to shareholders of FD as part of the purchase price for the FD shares acquired as of October 4, 2006. We also used \$25.4 million of the cash proceeds to repay debt on behalf of FD. We anticipate paying additional cash consideration of approximately \$5.1 million and issuing approximately 77,100 additional shares of restricted common stock in consideration for the remaining approximately 3% of FD share capital currently outstanding. The issuance of the old notes, the draw of \$40.0 million under our amended and restated senior secured credit facility, the issuance of the loan notes and the issuance of our common stock as partial consideration of the FD shares are collectively referred to herein as the Financing Transactions.

The Financing Transactions described above, along with the Acquisition, are referred to in this prospectus, collectively, as the Transactions.

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The Exchange Offer

The following is a brief summary of the terms of the exchange offer. For a more complete description of the terms of the exchange offer, see The Exchange Offer in this prospectus.

Background of the Old Notes

On October 3, 2006, we issued \$215.0 million aggregate principal amount of our 7³/₄% Senior Notes due 2016, or the old notes, to Deutsche Bank Securities Inc. and Goldman, Sachs & Co., as the initial purchasers, in a transaction exempt from the registration requirements of the Securities Act. The initial purchasers then sold the old notes to qualified institutional buyers in reliance on Rule 144A and to persons outside the United States in reliance on Regulation S under the Securities Act. Because the old notes have been sold in reliance on exemptions from registration, the old notes are subject to transfer restrictions. In connection with the issuance of the old notes, we entered into a registration rights agreement with the initial purchasers in which we agreed to deliver to you this prospectus and to use our commercially reasonable efforts to complete the exchange offer or to file and cause to become effective a registration statement covering the resale of the old notes.

The Exchange Offer

We are offering to issue up to \$215.0 million aggregate principal amount of 7³/₄% Senior Notes due 2016, or the exchange notes, in exchange for an identical aggregate principal amount of old notes. Old notes may be exchanged only in denominations of \$2,000 in principal amount and integral multiples of \$1,000 in excess thereof. The terms of the exchange notes are identical in all material respects to the terms of the old notes, except that the exchange notes have been registered under the Securities Act and do not contain transfer restrictions, registration rights or additional interest provisions. We will issue and deliver the exchange notes as promptly as practicable after the expiration of the exchange offer.

Resale of Exchange Notes

Based on an interpretation by the SEC's staff set forth in no-action letters issued to third parties unrelated to us, we believe that, with the conditions set forth below, exchange notes issued in the exchange offer may be offered for resale, resold and otherwise transferred by the holder of exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act, if:

you, or the person or entity receiving the exchange notes, acquires the exchange notes in the ordinary course of business;

neither you nor any such person or entity receiving the exchange notes is engaging in or intends to engage in a distribution of the exchange notes within the meaning of the federal securities laws;

neither you nor any such person or entity receiving the exchange notes has an arrangement or understanding with any person or entity to participate in any distribution of the exchange notes; and

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neither you nor any such person or entity receiving the exchange notes is an affiliate of FTI Consulting, Inc., as that term is defined in Rule 405 under the Securities Act.

Each broker-dealer that is issued exchange notes in the exchange offer for its own account in exchange for old notes acquired by the broker-dealer as a result of market-making or other trading activities must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of the exchange notes issued in the exchange offer. See Plan of Distribution. We have not submitted a no-action letter to the SEC and there can be no assurance that the SEC would make a similar determination with respect to this exchange offer. If you do not meet the conditions described above, you may incur liability under the Securities Act if you transfer any exchange note without delivering a prospectus meeting the requirements of the Securities Act. We do not assume or indemnify you against that liability.

Expiration Date 5:00 p.m., New York City time, on _____, 2007, unless, in our sole discretion, we extend the exchange offer.

Withdrawal Rights You may withdraw old notes at any time before 5:00 p.m., New York City time, on the Expiration Date. See The Exchange Offer Withdrawal Rights.

Conditions to the Exchange Offer The exchange offer is subject to certain customary conditions, including our determination that the exchange offer does not violate any law, statute, rule, regulation or interpretation by the staff of the SEC or any regulatory authority or other foreign, federal, state or local government agency or court of competent jurisdiction, some of which may be waived by us. See The Exchange Offer Conditions to the Exchange Offer.

Consequences of Failure to Exchange Old notes that are not tendered, or that are tendered but not accepted, will be subject to their existing transfer restrictions. We will have no further obligation, except under limited circumstances, to provide for registration under the Securities Act of the old notes. See The Exchange Offer Purpose and Effect.

Material U.S. Federal Income Tax Consequences The exchange of old notes for exchange notes by tendering holders should not be a taxable exchange for federal income tax purposes, and such holders should not recognize any taxable gain or loss or any interest income for federal income tax purposes as a result of such exchange. This does not constitute tax advice, and we encourage you to consult with your own tax and legal advisors. See Certain United States Federal Income Tax Considerations.

Exchange Agent Wilmington Trust Company is serving as exchange agent in connection with the exchange offer.

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The Exchange Notes

Issuer	FTI Consulting, Inc.
Securities Offered	\$215.0 million principal amount of 7 ³ / ₄ % Senior Notes due 2016.
Maturity Date	October 1, 2016.
Interest Rate	The exchange notes will accrue interest at the rate of 7 ³ / ₄ % per annum, payable semiannually on April 1 and October 1, commencing on April 1, 2007.
Ranking	The exchange notes will be our unsecured senior obligations. The exchange notes will rank <i>pari passu</i> in right of payment with all of our existing and future senior indebtedness and senior in right of payment to all of our existing and future subordinated indebtedness. The exchange notes will be effectively subordinated to all of our existing and future secured indebtedness (including obligations under our amended and restated senior secured credit facility), to the extent of the assets securing such debt, and be structurally subordinated to all obligations of each of our subsidiaries that is not a guarantor of the exchange notes. As of September 30, 2006, after giving effect to the Transactions, we had \$100.4 million of revolving availability under our amended and restated senior secured credit facility, all borrowings under which will constitute senior secured indebtedness.
Guarantees	Substantially all of our existing and future domestic subsidiaries will guarantee the exchange notes on a senior unsecured basis.
Optional Redemption	We may redeem some or all of the exchange notes at any time prior to October 1, 2011, at a price equal to 100% of the principal amount of the exchange notes redeemed plus accrued and unpaid interest to the redemption date and a make-whole premium, as described in the Description of Exchange Notes. On or after October 1, 2011, we may redeem some or all of the exchange notes at the redemption prices set forth under Description of Exchange Notes Optional Redemption. At any time before October 1, 2009, we may redeem up to 35% of the exchange notes at a redemption price of 107.750% of the principal amount, plus accrued and unpaid interest, if any, to the date of redemption with the proceeds of certain equity offerings.
Change of Control	In the event of a change of control, as described under Description of Exchange Notes Repurchase at the Option of Holders Change of Control, holders of the exchange notes may require us to purchase all or part of the exchange notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of repurchase. If a change in control occurs, we must give holders of the exchange notes the opportunity to sell us their exchange notes at 101% of their face amount, plus accrued and unpaid interest.

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We might not be able to pay you the required price for exchange notes you present to us at the time of a change of control, because:

we might not have enough funds at that time; or

the terms of our senior debt may prevent us from paying.

Restrictive Covenants

The indenture governing the exchange notes contains certain covenants that, among other things, limit our ability and that of our subsidiaries to:

incur additional indebtedness, issue preferred stock or enter into sale and leaseback transactions;

pay dividends or make other distributions in respect of our capital stock or to make other restricted payments;

issue stock of subsidiaries;

make certain investments;

create certain liens on our assets to secure debt;

enter into certain transactions with affiliates;

transfer or sell assets; or

enter into certain mergers and consolidations.

In addition, under certain circumstances, we will be required to offer to purchase the exchange notes at a price equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase, with the proceeds of certain asset sales. See [Description of Exchange Notes](#) [Repurchase at the Option of Holders](#) [Asset Sales](#).

These covenants are subject to a number of important limitations, exceptions and qualifications that are described under [Description of Exchange Notes](#) [Certain Covenants](#).

Use of Proceeds

We will not receive any proceeds upon the completion of the exchange offer.

Risk Factors

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See Risk Factors and other information in this prospectus for a discussion of factors that you should consider carefully before deciding to invest in the exchange notes.

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Summary Consolidated Financial Data and Other Operating Information

We have derived the following summary historical consolidated income statement, cash flow and other financial data for the years ended December 31, 2003, 2004 and 2005 from our consolidated financial statements, which have been audited by Ernst & Young LLP, an independent registered public accounting firm. We derived the summary historical consolidated income statement, cash flow and other financial data for the nine months ended September 30, 2005 and 2006 and the summary consolidated balance sheet data as of September 30, 2006 from our unaudited consolidated financial statements. We prepared the summary unaudited interim financial data on a basis consistent with the audited consolidated financial statements as of and for the year ended December 31, 2005 except that as of January 1, 2006, we adopted the provisions of Statement of Financial Accounting Standards No. 123(R), Share-Based Payments. As a result, we began to recognize expense associated with all share-based awards based on the grant-date fair value of the awards. In management's opinion, the unaudited interim consolidated financial data reflects all adjustments that are necessary for a fair presentation of the results for the interim periods presented. All adjustments made were normal and recurring accruals. You should not expect the results of operations for the interim periods to necessarily be an indication of the results for a full year or any future period. You should read the following data in conjunction with Selected Financial Data, Unaudited Pro Forma Condensed Consolidated Financial Information, Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and related notes thereto included elsewhere in this prospectus.

We have prepared the following summary unaudited pro forma consolidated income statement data for the year ended December 31, 2005 and for the nine months ended September 30, 2006 giving effect to the Transactions, and as if they had occurred on January 1, 2005. The as adjusted consolidated balance sheet data reflects the Transactions as if they had occurred on September 30, 2006.

The unaudited pro forma consolidated financial statements have been derived by the application of pro forma adjustments to our historical consolidated financial statements for the year ended December 31, 2005 and the nine-months ended September 30, 2006. The unaudited pro forma adjustments are based on estimates, available information and certain assumptions that we believe are reasonable and may be revised as additional information becomes available.

We have presented the unaudited pro forma financial data for informational purposes only. You should not consider the pro forma consolidated income statement and balance sheet data to be indicative of what the actual results would have been had the transactions described above been completed on the dates indicated nor should you expect the pro forma results to be an indication of the results of operations or financial condition as of any future date or for any future period. You should read the following data in conjunction with Selected Financial Data, Unaudited Pro Forma Condensed Consolidated Financial Information, Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and related notes thereto included elsewhere in this prospectus.

Ratio of Earnings to Fixed Charges. For the purpose of computing the ratio of earnings to fixed charges, earnings consist of income from continuing operations, before income taxes plus fixed charges. Fixed charges consist of:

interest on all indebtedness and amortization of deferred financing costs; and

the portion of rental expense that we believe is representative of interest,

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	Year Ended December 31,			Nine Months Ended September 30,		Pro Forma Year Ended December 31, September 30, 2005 2006	
	2003	2004	2005	2005	2006	(unaudited)	(unaudited)
(dollars in thousands, except per share and average billable rate data)							
INCOME STATEMENT DATA:							
Revenues	\$ 375,695	\$ 427,005	\$ 539,545	\$ 373,720	\$ 491,092	\$ 632,793	\$ 583,968
Direct cost of revenues	176,429	234,970	291,592	202,878	276,896	346,630	327,781
Selling, general and administrative expense	78,701	106,730	127,727	90,030	121,547	150,391	143,372
Special charges ⁽¹⁾	3,060				22,972		22,972
Amortization of other intangible assets	3,680	6,836	6,534	4,309	8,310	12,477	11,995
Operating income	113,825	78,469	113,692	76,503	61,367	123,295	77,848
Interest and other expenses, net	(4,196)	(6,086)	(14,876)	(9,879)	(16,105)	(35,442)	(30,709)
Litigation settlement gains (losses), net		1,672	(1,629)	(991)	419	(1,629)	419
Income from continuing operations before income tax provision	109,629	74,055	97,187	65,633	45,681	86,224	47,558
Income tax provision	44,838	31,177	40,819	27,566	21,013	36,215	21,876
Income from continuing operations	64,791	42,878	56,368	38,067	24,668	50,009	25,682
Loss from discontinued operations	(5,322)						
Net income	\$ 59,469	\$ 42,878	\$ 56,368	\$ 38,067	\$ 24,668	\$ 50,009	\$ 25,682
Earnings per common share net income							
Basic	\$ 1.45	\$ 1.02	\$ 1.38	\$ 0.91	\$ 0.63	\$ 1.19	\$ 0.63
Diluted	\$ 1.41	\$ 1.01	\$ 1.35	\$ 0.90	\$ 0.61	\$ 1.16	\$ 0.62
Weighted average number of common shares outstanding							
Basic	40,925	42,099	40,947	41,760	39,338	42,149	40,540
Diluted	42,046	42,512	41,787	42,404	40,112	42,989	41,314
CASH FLOW DATA:							
Net cash provided by (used in) operating activities	\$ 100,177	\$ 58,443	\$ 99,379	\$ 43,503	\$ (30,903)		
Net cash used in investing activities	(231,741)	(13,693)	(64,858)	(57,658)	(83,312)		
Net cash provided by (used in) financing activities	127,423	(24,811)	93,158	103,708	(16,677)		
OTHER FINANCIAL DATA:							
Capital expenditures	10,612	11,939	17,827	12,077	13,803		
CREDIT STATISTICS:							
Ratio of earnings to fixed charges	14.3x	8.3x	5.9x	6.1x	3.1x	3.1x	2.2x
						September 30, 2006	
						Actual As adjusted	
						(in thousands)	
						(unaudited)	
BALANCE SHEET DATA							
Cash and cash equivalents						\$ 22,491	\$ 42,513
Working capital						144,487	165,758
Total assets						1,030,877	1,345,607
Long-term debt, including current portion and fair value hedge adjustment of \$1,982						348,403	610,277
Stockholders' equity						511,531	539,431

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- (1) Reflects a charge relating to the restructuring of our U.K. corporate finance/restructuring operations and consolidation of non-core practices in the United States primarily through reductions in workforce. See note 7 to our unaudited condensed financial statements included elsewhere in this prospectus.

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RISK FACTORS

In addition to the risks below, other risks and uncertainties not known to us or that we deem to be immaterial may also materially adversely affect our business operations. All of the following risks could materially and adversely affect our business, financial condition or results of operations. In such a case, you could lose all of or a part of your original investment. You should carefully consider the risks described below as well as other information and data included in this prospectus before making an investment decision with respect to the exchange notes.

Risks Related to Our Business

Our failure to retain qualified professionals or hire additional qualified professionals would have a negative effect on our future growth and financial performance as well as on client engagements, services and relationships.

Our business involves the delivery of professional forensic/litigation, corporate finance/restructuring, economic consulting, technology services and strategic communications consulting services. In the consulting business, professional acumen, trust and relationships are critical elements of a company's ability to deliver high quality professional services. Our professionals have highly specialized skills. They also develop strong bonds with the clients they service. Our continued success depends upon our ability to attract and retain our staff of professionals who have expertise, reputations and client relationships critical to maintaining and developing our business. We face intense competition in recruiting and retaining highly qualified professionals that we must employ to continue our service offerings. As of September 30, 2006, our employment arrangements with our senior managing directors range from at will employment arrangements that include restrictions on post-employment competition and solicitation of our clients and employees to long-term written employment agreements. Currently, expirations of employment agreements are concentrated in years 2008 and 2009 because of the timing of our acquisitions and our 2004 initiative to enter into written agreements with our senior professionals. In addition, there is a concentration of expirations in year 2011 and we expect there will be in 2012 because of our current initiative to renegotiate long term employment arrangements with certain senior managing directors who have been designated as participants in our senior managing director incentive compensation program (SMD compensation program) that is discussed below. We monitor these expirations carefully to commence dialogues with professionals regarding their employment well in advance of the actual contract expiration dates. Our goal is to renew employment agreements when advisable and to stagger the expirations of the agreements if possible. Because of the high concentration of contract expirations in certain years, we may experience high turnover or other adverse consequences, such as higher costs, loss of clients and engagements, or difficulty staffing engagements, if we are unable to renegotiate employment arrangements or the costs of retaining qualified professionals become higher. We cannot assure you that we will be able to attract and retain enough qualified professionals to maintain or expand our business. Moreover, competition has been increasing our costs of retaining or hiring qualified professionals, a trend which could harm our operating margins and results of operations.

In 2006, we began to renegotiate new long-term employment agreements with certain key senior managing directors. In connection with those discussions, we offered certain designated senior managing directors the opportunity to participate in all or a portion of the benefits under our SMD compensation program that includes cash, in the form of an unsecured general recourse forgivable loan, and significant additional payments upon the execution and during the term of such employment agreement in the form of stock options and restricted stock awards or, alternatively, cash equivalents if we do not have adequate equity securities available under stockholder approved equity plans. Most of the new employment agreements entered into in 2006 with senior managing directors in our corporate finance/restructuring segment who are participating in this program will expire in 2011, which means that we could face similar retention issues at the end of the terms of those agreements. In an effort to reduce this risk, we have included a renewal provision in most of the new employment agreements providing that the agreements will renew for one year from year to year beginning at the end of their

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initial terms unless either party provides written notice of non-renewal to the other party at least ninety (90) days prior to the date of the expiration of the initial term or any extended term. Starting in 2007, we intend to extend the SMD compensation program to participants in certain of our other practice segments, which could result in a concentration of employment agreements expiring in 2012. While we hope that we enter into new long-term employment agreements with a significant number of those senior managing directors, we have not yet done so and there is no assurance we will do so in the future. The aggregate principal amount of all loans made to senior managing directors during 2006 could approximate \$50.0 million, of which some or all of the principal amount and accrued interest could be forgivable by us upon the passage of time, while complying with contractual requirements, or certain other events, such as death or disability or termination by us without cause or by the employee with good reason. All or a portion of the loans extended to employees, including senior managing directors will be repayable in certain events, such as termination by us for cause or by employee without good reason prior to the applicable forgiveness date. The loans are unsecured and there is no assurance that a recipient of a loan will repay it when due. The equity awards to such senior managing directors participating in the SMD compensation program are significant.

Our clients may preclude us from representing multiple clients in connection with the same engagement or competitive matter; our other practices may be precluded from accepting engagements from clients with respect to the same or competitive matter for which another practice has been engaged to provide services and required to forego potential business prospects in order to win engagements, which could harm our revenues, results of operations and client relationships and engagements.

We follow internal practices to assess real and potential issues in the relationships between and among our clients, engagements, practices and professionals. For example, we generally will not represent parties adverse to each other in the same matter. Under bankruptcy rules, we generally may not represent both a debtor and its creditors in the same proceeding. Under federal bankruptcy laws, we are required to notify the U.S. Trustee of real or potential conflicts. The U.S. Trustee could find that we no longer meet the disinterestedness standard because of real or potential changes in our status as a disinterested party, and order us to resign. In preference actions under bankruptcy law, we could be required to disgorge fees. Acquisitions may result in us resigning from a current client engagement because of relationship issues that are not currently identifiable. In addition, businesses that we acquire may not be free to accept engagements they could have accepted prior to our acquiring them because of relationship issues. Our inability to accept engagements from clients or prospective clients, represent multiple clients in connection with the same or competitive engagements, and any requirement that we resign from client engagements may negatively impact our revenues, revenue growth and results of operations.

If our former professionals go into business in competition with us or join our competitors, our client engagements and relationships could decline, financial performance and growth could slow or decline, and employee morale could suffer, and we may not have legal recourse.

Typically, our professionals have a close relationship with the clients they serve, not only based on their expertise but also on bonds of personal trust and confidence. Although our clients generally contract for services with us as a company, and not with individual professionals, in the event that professionals leave, such clients would not be prohibited from hiring those professionals to perform future engagements. Clients could also decide to transfer active engagements to professionals who leave. The engagement letters that we typically enter into with clients do not obligate them to continue to use our services. Typically, our engagement letters permit clients to terminate our services at any time. Furthermore, while in some cases, the termination of an ongoing engagement by a client could constitute a breach of the client's contract with us, we could decide that preserving the overall client relationship is more important than seeking damages for the breach, and for that or other reasons that are not currently identifiable, decide not to pursue any legal remedies that might be available to us. We would make the determination whether to pursue any legal actions against a client on a case-by-case basis.

Substantially all of our written employment arrangements with our senior managing directors include non-competition and non-solicitation arrangements. These non-competition agreements have generally been

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drafted to comply with state reasonableness standards. However, states generally interpret non-competition clauses narrowly. Therefore, a state may hold certain restrictions on competition to be unenforceable. In the case of employees outside of the U.S., the non-competition provisions have been drafted to comply with applicable foreign law. In the event an employee departs, we will consider any legal remedies we may have against such professional on a case-by-case basis. However, we may decide that preserving cooperation and a professional relationship, or other concerns, outweigh the benefits of any possible legal recovery. Therefore, we may determine not to pursue legal action, even if available.

In the first quarter of 2004, we experienced the unanticipated departures of about 60 professionals in our former FTI/Policano & Manzo restructuring practice. We have strived to build relationships and reassure our professionals and clients of our interest in them and our ability to provide services comparable to those provided by the departing professionals. Those departures had a negative impact on our financial results for 2004. In the fourth quarter of 2004, we entered into a monetary settlement of arbitration proceedings brought against those former employees and the company they formed to compete with us.

Our profitability could suffer if we are not able to manage utilization and pricing rates of our professional staff.

We calculate the utilization rate for our professional staff by dividing the number of hours that our professionals worked on client assignments during a period by the total available working hours for our professionals, assuming a 40-hour work week and a 52-week year. Available working hours include vacation and professional training days, but exclude holidays. The hourly rates we charge our clients for our services and the number of hours our professionals are able to charge our clients for our services are affected by the level of expertise and experience of the professionals working on a particular engagement and, to a lesser extent, the pricing and staffing policies of our competitors. If we fail to manage our utilization rates for our professionals or maintain or increase the hourly rates we charge our clients for our services, we may experience adverse consequences, such as non-revenue-generating professionals, the loss of clients and engagements and the inability to appropriately staff engagements and our profitability will suffer. As we diversify our business offerings and contracting arrangements, utilization is becoming a less meaningful measure of productivity and profitability.

Utilization of our professionals is affected by a number of factors, some of which are within our control, including general economic conditions, the number, size and timing of client engagements, our ability to forecast demand for our services and maintain an appropriate level of professionals, ability to utilize professionals across business segments, acquisitions and the hiring of new professionals and staff vacations. Utilization in our corporate finance/restructuring practice has declined since 2005 due to a decrease in the number and size of its bankruptcy cases and decline in demand for certain of its services resulting from the strengthening of the economy, the availability of credit, low interest rates, fewer mergers and acquisitions and fewer large bankruptcy proceedings. Other factors contributing to the decline in utilization rates in that segment included upfront hiring for expansion into the U.K. without an associated book of business. Utilization within our economic consulting segment in 2006 was also adversely affected by recent acquisition activity.

We may have difficulty integrating the operations of FD. Should we fail to integrate FD's operations, our results of operations and profitability could be negatively impacted.

As of October 4, 2006, we acquired FD. FD is a corporation organized under the laws of England and Wales and it has subsidiaries organized under the laws of other non-U.S. jurisdictions as well as the U.S. We may not be successful in integrating the operations of FD and the combined company may not perform as we expect. Some of the integration challenges we face include differences in corporate culture and management styles, additional or conflicting governmental regulations, preparation of the FD operations for compliance with the Sarbanes-Oxley Act of 2002, financial reporting that is not in compliance with U.S. generally accepted accounting principles, or U.S. GAAP, disparate company policies and practices, client relationship issues and retention of key FD officers and personnel. In addition, management may be required to devote a considerable amount of

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time to the integration process, which could decrease the amount of time they have to manage FTI. We cannot assure you that we will successfully or cost-effectively integrate FD's operations. The failure to do so could have a negative effect on results of operations or profitability. The process of integrating operations could cause some interruption of, or the loss of momentum in, the activities of one or more of our or FD's businesses.

FD represents a strategically aligned, but different line of business that we do not have experience in operating.

While we believe that FD is strategically aligned with our current line of business, the success factors for effectively competing for and executing strategic communications consulting engagements are different than those required for our other businesses. FD's professionals have different backgrounds and skill sets. Strategic communications solutions may be more creative than our other services, thereby making an objective assessment of quality of service challenging and different from most of our service offerings. We may have greater challenges in assisting or arbitrating in difficult client matters. In addition, FD, outside of the U.S., does not manage its business or bill its clients based on hours and rates like FTI, but rather runs on the basis of teams that have revenue and profitability objectives, and a substantial portion of FD's revenues are generated through retainers. We may have difficulty identifying emerging problems or opportunities due to this different model, which could negatively impact our business prospects and results of operations.

FD's operations are international in scope, with the majority of its revenues and operations coming from markets where we have little, if any, direct experience.

FD's principal business operations are in London, with offices in more than ten other countries, including locations with substantially different laws and customs. The nature of these international operations may cause us to have difficulties with employees and clients as their law, language, politics, religion, work practices and values may differ from the norms we experience in our existing practices and geography. We may not have existing relationships with many of FD's clients, we may not have relationships with other international prospects for FD and we may not have brand recognition for FTI in non U.S. markets. We will also be exposed to different economic risks and cycles, as well as different governments and political systems which may be unstable. In addition, a significant portion of FD's revenues are denominated in currencies other than the U.S. dollar, which could result in us having significant exposure to currency fluctuations in the British pound, the Euro and to a lesser extent other currencies. If we are not able to quickly adapt to this new market, our business prospects and results of operations could be negatively impacted.

We rely heavily on our senior management team and practice leaders for the success of our business.

We rely heavily on our senior management team and practice leaders to manage our practices. Given the highly specialized nature of our services and the scale of our operations, these people must have a thorough understanding of our service offerings as well as the skills and experience necessary to manage a large organization. If one or more members of our senior management team or our practice leaders leave and we cannot replace them with a suitable candidate quickly, we could experience difficulty in managing our business properly, and this could harm our business prospects, client relationships, employee morale and results of operations.

Any claims involving the quality of our services could harm our overall professional reputation, which could harm our ability to compete for new business opportunities, retain and attract clients and engagements, and hire and retain qualified professionals.

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Many of our engagements involve complex analysis and the exercise of professional judgment. Therefore, we are subject to the risk of professional liability. Often, our engagements involve matters that, if resolved unfavorably, may result in a severe impact on the client's business, cause the client a substantial monetary loss or prevent the client from pursuing business opportunities. Since our ability to attract new clients and generate

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engagements depends upon our ability to maintain a high degree of client satisfaction as well as our reputation among industry professionals, any claims against us involving the quality of our services may be more damaging than similar claims against businesses in other industries.

We do not generally indemnify our clients; however, in certain cases, such as with clients who are governmental agencies or authorities, we may agree to indemnify them and their affiliates against third party liabilities. Indemnification provisions are negotiated on a contract-by-contract basis and in some cases may be reciprocal or may be coupled with limitations on the amount and type of damages that can be recovered.

Any claim by a client or a third party against us could expose us to professional or other liabilities in excess of our insurance limits. We maintain a limited amount of liability insurance. The damages and/or expenses resulting from any successful claims against us, for indemnity or otherwise, in excess of our insurance limits would have to be borne directly by us and could seriously harm our profitability, financial resources and reputation.

Our clients may terminate our engagements with little or no notice, which may cause us to experience unexpected declines in our profitability and utilization.

Much of our business involves large client engagements that we staff with a substantial number of professionals. The engagement letters that we typically enter into with clients do not obligate them to continue to use our services. Typically, our engagement letters permit clients to terminate our services at any time. If our clients unexpectedly cancel engagements with us or curtail the scope of our engagements, we may be unable to replace the lost revenues from those engagements, quickly eliminate costs associated with those engagements, or quickly find other engagements to utilize our professionals. Any decrease in revenues without a corresponding reduction in our costs will likely harm our profitability.

We face intense competition in our business. If we fail to compete effectively, we may miss new business opportunities or lose existing clients and our revenues and profitability may decline. Parties from whom we acquire assets may reenter the marketplace to compete with us in the future.

The market for our consulting services is highly competitive. Our competitors range from large organizations, such as the national accounting firms and the large management consulting companies that offer a broad range of consulting services, to small firms and independent contractors that provide one specialized service. Some of our competitors have significantly more financial resources, larger professional staffs and greater brand recognition than we do. Since our business depends in a large part on professional relationships, our business has low barriers of entry for professionals wanting to start their own firms. In addition, it is relatively easy for professionals to change employers. We cannot assure you that we will continue to compete successfully for new business opportunities or retain our existing clients or professional employees.

In connection with our acquisitions, we generally obtain non-solicitation agreements from the professionals we hire as well as non-competition agreements from senior managers and professionals. In some cases we enter into non-competition or non-solicitation arrangements generally with sellers. We cannot assure you that any one or more of the parties from whom we acquire assets or a business who do not join us, or persons who join us upon expiration or breach of their agreements not to compete or solicit, will not compete with us in the future. Also, the duration of those agreements are limited ranging from three to eight years after the acquisition date. Certain activities may be carved out of or otherwise may not be prohibited by those arrangements. Also, in some cases we may agree to restraints on our ability to compete with the sellers of those businesses with respect to certain practice areas or locations. Competition may harm our expected revenue growth and results of operations and cause the actual profitability of a business to differ materially from our expectations and the expectations of the investing public.

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We may have difficulty integrating our acquisitions, or convincing clients to allow assignment of their engagements to us, with a consequent detrimental effect on our financial results.

The process of integrating our future acquisitions into our existing operations may result in unforeseen operating difficulties and may require significant financial, operational and managerial resources that would otherwise be available for the operation, development and expansion of our existing business. To the extent that we have miscalculated our ability to integrate and properly manage any or all of our acquisitions, we may have difficulty in achieving our operating and strategic objectives.

A substantial amount of our growth has been due to acquisitions. During 2003, we completed three significant acquisitions: Lexecon, the former dispute advisory business of KPMG LLP and Ten Eyck, all of which occurred in the fourth quarter. As of February 28, 2005, we acquired substantially all of the assets and assumed certain liabilities of the Ringtail group. Ringtail is a leading developer of litigation support and knowledge management technologies for law firms. As of May 31, 2005, we acquired substantially all of the assets and assumed certain liabilities of Cambio from certain of the individual owners of Cambio Partners, the direct parent of Cambio, and certain of its investors. Cambio is a leading provider of change management solutions for hospital and health systems. As of January 6, 2006, we completed our acquisition of Competition Policy Associates, Inc., which we refer to as Compass. Compass is one of the top competition economics consulting firms in the world, with offices in Washington, D.C. and San Francisco. Compass provides services that involve sophisticated economic analysis in the context of antitrust disputes, mergers and acquisitions, regulatory and policy debates, and general commercial litigation across a broad range of industries in the United States, Europe and the Pacific Rim. As of July 1, 2006, we completed our acquisition of International Risk Limited. International Risk provides comprehensive business risk solutions including investigative due diligence services, fraud and corporate investigations, business intelligence, brand protection and intellectual property strategies, political risk assessments and crisis containment services. All of these acquisitions have been substantially integrated with FTI. As of September 20, 2006, we acquired assets of Bower Brower, Kriz & Stynchcomb, LLC, or BKS, a company in the business of construction consulting, that we intend to integrate with our forensic/litigation consulting practice group. As of October 4, 2006, we acquired substantially all of the share capital of FD. FD, based in London, is one of the world's largest business and financial communications consultancies and provides a comprehensive range of solutions critical to today's corporate boardroom. As of October 5, 2006, we acquired the share capital of G3 Consulting Limited, or G3. G3 delivers technology and business consulting to U.K. clients facing corporate litigation, electronic disclosure and public inquiries. For the past six years G3 has served as the primary direct U.K. supplier of FTI's Ringtail Legal products and associated Application Service Provider (ASP). We intend to integrate G3 with our technology practice group. We also have made smaller acquisitions over these same periods.

Some of the integration challenges we face include differences in corporate cultures and management styles, additional or conflicting government regulation, disparate company policies and practices and client conflict issues. All of our acquisitions in 2003, our Ringtail and Cambio acquisitions in 2005 and our BKS acquisition and a portion of our Compass acquisition were structured as asset transactions. Asset transactions generally necessitate receipt of third party consents to assign client engagements. All clients might not affirmatively consent to an assignment. In addition, in some cases there are no written client contracts memorializing an engagement. Such engagements will only continue at the pleasure of those clients. In certain cases, such as government contracts and bankruptcy engagements, the consents of clients cannot be solicited until after the acquisition has closed. Further, such contracts may be subject to security clearance requirements or bidding provisions with which we might not be able to comply. There is no assurance that local, state and federal governments will agree to novate their contracts to us. In addition, in an engagement that involves a bankruptcy case, we must make a filing with the applicable U.S. Trustee, at which time such U.S. Trustee may find that we are no longer disinterested. In connection with such bankruptcy cases, we may be required to resign and to refund fees collected in connection with those engagements. We could be responsible for returning fees even if they were not paid to us, but rather to the company from whom we acquired the business. In some cases, we may not have legal recourse to demand that the seller of the business reimburse us. FD and G3 are headquartered in the U.K., and FD operates globally. In addition to the integration challenges mentioned above, these acquisitions

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offer unique integration challenges relating to non-U.S. GAAP financial reporting, foreign laws and governmental regulations, and other factors some of which have been discussed above in the discussion regarding the difficulties we may face integrating the operations of FD. If we fail to integrate their operations, our results of operations and profitability could be negatively impacted. See We may have difficulty integrating the operations of FD International (Holdings) Limited, or FD.

Our corporate finance/restructuring practice has an increased risk of fee non-payment.

Many of our clients have engaged us because they are experiencing financial distress. We recognize that these clients may not have sufficient funds to continue operations or to pay for our services. We typically do not receive retainers before we begin performing services on a client's behalf in connection with a significant amount of our corporate finance/restructuring business. In the cases that we have received retainers, we cannot assure you that the retainers will adequately cover our fees for the services we perform on behalf of these clients. We are not always able to obtain retainers from clients in bankruptcy as the bankruptcy court must approve our retainers for those clients. Even if a bankruptcy court approves our retainer or engagement, a bankruptcy court has the discretion to require us to return all, or a portion of, our fees. Therefore, we face the risk of non-payment, which can result in write-offs. More write-offs than we expect in any period would have a negative impact on our results of operations.

If the size, complexity and number of debt defaults, bankruptcy or restructuring actions or other factors affecting demand for our corporate finance/restructuring services declines, or if economic conditions beyond our control result in a reduced demand for our corporate finance/restructuring, forensic/litigation, economic, technology, strategic communications consulting and other services, our revenues and profitability could suffer.

Our corporate finance/restructuring practice provides various restructuring and restructuring-related services to companies in financial distress or their creditors or other stakeholders. A number of factors outside of our control affect demand for our services. These include:

the availability and level of lending activity, interest rates and over-leveraging of companies;

over-expansion by various businesses;

merger and acquisition activity;

management problems;

governmental regulations; and

other general economic factors resulting in the decline in the economy in the U.S.

Notwithstanding increases in debt, we have also seen a decline of the mega-bankruptcy cases, resulting in a greater portion of our business being comprised of engagements relating to bankruptcy and restructuring matters involving mid-size companies, primarily as a result of general economic conditions, including the strengthening of the economy, the availability of credit and low interest rates. In our experience, mid-size

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bankruptcy and restructuring engagements are more susceptible to cyclical factors such as holidays and vacations. The shift to mid-size engagements could result in lower utilization, especially during the third and fourth quarters of any year due to these factors. Declines in demand for our restructuring, turnaround and bankruptcy services as well as smaller engagements could result in lower revenues and decrease our overall profitability. Our other practice groups, including forensic/litigation, economic consulting, technology and strategic communications consulting services, also are driven by crisis situations that affect companies but which are outside of our control. We are not able to predict the effect future events or changes to the U.S. or global business environment could have on our operations. Changes to any of the factors described above as well as other events, including by way of example, tort reform, changes to laws and regulations, including recent changes to the bankruptcy code, decline in government enforcement, and alternative dispute resolution practices, or a decline in litigation, and declines in monetary damages or remedies that are sought, may have an adverse effect on one or more of our businesses.

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If we fail to find suitable acquisition candidates, or if we are unable to take advantage of opportunistic acquisition situations, our ability to expand may be curtailed.

The number of suitable acquisition candidates may decline if the competition for acquisition candidates increases or the cost of acquiring acquisition candidates becomes too expensive. As a result, we may be unable to make acquisitions or be forced to pay more or agree to less advantageous acquisition terms for the companies that we are able to acquire. Alternatively, at the time an acquisition opportunity presents itself, internal and external pressures (including, but not limited to, borrowing capacity under our amended and restated senior secured credit facility or the availability of alternative financing), may cause us to be unable to pursue or complete an acquisition. Our ability to grow our business, particularly through acquisitions, may depend on our ability to raise capital by selling equity or debt securities or obtaining additional debt financing. We cannot assure you, however, that we will be able to obtain financing when we need it or on terms acceptable to us. In any case, we may be unable to grow our business or expand our service offerings as quickly as we have in the past and our profitability may decline.

We may not manage our growth effectively, and our profitability may suffer.

We have experienced rapid growth in recent years. This rapid expansion of our business may strain our management team, human resources and information systems. We cannot assure you that we can successfully manage the integration of any businesses we may acquire or that they will result in the financial, operational and other benefits that we anticipate. To manage our growth successfully, we may need to add qualified managers and employees and periodically update our operating, financial and other systems, as well as our internal procedures and controls. We also must effectively motivate, train and manage a larger professional staff. Such expansion may result in significant expenditures. If we fail to add qualified managers and employees or manage our growth effectively, our business, results of operations and financial condition may be harmed.

Our revenues, operating income and cash flows are likely to fluctuate.

We have experienced fluctuating revenues, operating income and cash flows and expect that this will occur from time to time in the future. We experience fluctuations in our annual or quarterly revenues and operating income because of the timing of our client assignments, utilization of our revenue-generating professionals, the types of assignments we are working on at different times, new hiring, acquisitions and decreased productivity because of vacations taken by our professionals. This means our profitability will likely decline if we experience an unexpected variation in the number or timing of client assignments or utilization, especially during the third quarter when substantial numbers of professionals take vacations, which reduces their utilization rates. We may also experience future fluctuations in our cash flows because of increased compensation, including changes to our incentive compensation structure and the timing of those payments, which we generally pay during the first quarter of each year. Also, the timing of future acquisitions and the cost of integrating them may cause fluctuations in our operating results.

We may have a different system of governance and management from the companies we acquire or their parents, which could cause professionals who join us from acquired companies to leave us.

Our governance and management practices and policies do not mirror the policies and practices of acquired companies or their parents. In some cases, different management practices and policies may lead to workplace dissatisfaction on the part of acquired professionals with our way of conducting business. The loss of one or more key professionals may harm our business and results of operations.

Compliance with the Foreign Corrupt Practices Act could adversely affect our competitive position; failure to comply could subject us to penalties and other adverse consequences.

We are subject to the Foreign Corrupt Practices Act, which generally prohibits U.S. companies from engaging in bribery of or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. Foreign companies, including some of our competitors, are not subject to these prohibitions. Corruption, extortion,

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bribery, pay-offs, theft and other fraudulent practices occur from time to time in the markets in which we operate, including the U.S. and other countries. There is no assurance that our employees or other agents will not engage in such conduct, for which we might be held responsible. If our employees or other agents are found to have engaged in such practices, we could suffer severe penalties and other consequences that may have a material adverse effect on our business, properties, prospects, financial condition and results of operations.

Risks Related to the Exchange Notes and the Exchange Offer

Our substantial indebtedness could adversely affect our financial health and prevent us from fulfilling our obligations under the exchange notes and our other financial obligations.

We have a significant amount of indebtedness. As of September 30, 2006, after giving pro forma effect to the Transactions, we had total indebtedness of \$610.3 million and an additional \$110.0 million of revolving availability under our amended and restated senior secured credit facility senior secured credit facility, subject to \$9.6 million of outstanding letters of credit.

Our substantial indebtedness could have important consequences to you. For example, it could:

make it more difficult for us to satisfy our obligations with respect to the exchange notes;

make it more difficult to satisfy our other financial obligations;

increase our vulnerability to adverse economic and industry conditions;

require us to dedicate a substantial portion of our cash flows from operations to payments on our indebtedness, thereby reducing the availability of our cash flows to fund acquisitions, working capital, capital expenditures, research and development efforts and other general corporate purposes;

limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;

place us at a competitive disadvantage compared to our competitors that have less debt;

limit our ability to borrow additional funds; and

limit our ability to make future acquisitions.

In addition, our amended and restated senior secured credit facility and the indentures governing the exchange notes, our 7^{5/8}% senior notes due 2013 (2005 Senior Notes) and our 7^{3/4}% senior subordinated convertible notes due 2012 (2005 Convertible Notes, and together with the 2005

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Senior Notes, the 2005 Notes) contain restrictive (and, in the case of the amended and restated senior secured credit facility, financial) covenants that limit our ability to engage in activities that may be in our best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our debts.

Despite current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt. This could further exacerbate the risks associated with our substantial leverage.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future. The terms of the indentures governing the exchange notes, the 2005 Notes and our amended and restated senior secured credit facility do not fully prohibit us or our subsidiaries from doing so. As of September 30, 2006, after giving pro forma effect to the Transactions, we had an additional \$110.0 million of revolving availability under our amended and restated senior secured credit facility, subject to \$9.6 million of outstanding letters of credit. Any borrowings under our amended and restated senior secured credit facility would be effectively senior to the exchange notes to the extent of the value of the assets securing the amended and restated senior secured credit facility. If new debt is added to our and our subsidiaries' current debt levels, the related risks that we and they now face could intensify. See Description of Other Indebtedness.

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To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control.

Our ability to make payments on and to refinance our indebtedness, including the exchange notes, and to fund capital expenditures, acquisitions and research and development efforts will depend on our ability to generate cash. This, to a certain extent, is subject to economic, financial, competitive, legislative, regulatory and other factors that are beyond our control.

Based on our current level of operations, we believe our cash flow from operations, available cash and available borrowings under our amended and restated senior secured credit facility will be adequate to meet our liquidity needs for at least the next few years.

We cannot assure you, however, that our business will generate sufficient cash flows from operations, that anticipated cost savings and operating improvements will be realized on schedule or that future borrowings will be available to us under our amended and restated senior secured credit facility or that we can obtain alternative financing proceeds in an amount sufficient to enable us to pay our indebtedness, including the exchange notes, or to fund our other liquidity needs. We may need to refinance all or a portion of our indebtedness, including the notes, on or before maturity. We cannot assure you that we will be able to refinance any of our indebtedness, including our amended and restated senior secured credit facility or the notes, on commercially reasonable terms or at all.

Your right to receive payments on the exchange notes is effectively subordinated to the rights of our existing and future secured creditors.

Holders of our secured indebtedness will have claims that are prior to your claims as holders of the exchange notes to the extent of the value of the assets securing that other indebtedness. Notably, we and certain of our subsidiaries are parties to the amended and restated senior secured credit facility, which are secured by liens on substantially all of our assets and the assets of the guarantors. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization, or other bankruptcy proceeding, holders of secured indebtedness will have prior claim to those of our assets that constitute their collateral. Holders of the exchange notes will participate ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the exchange notes, 2005 Senior Notes and potentially with all of our other general creditors, based upon the respective amounts owed to each holder or creditor, in our remaining assets. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the exchange notes. As a result, holders of exchange notes may receive less, ratably, than holders of secured indebtedness.

As of September 30, 2006, after giving pro forma effect to the Transactions, we had \$110.0 million of revolving availability under our amended and restated senior secured credit facility, subject to \$9.6 million of outstanding letters of credit. Our amended and restated senior secured credit facility is secured by substantially all of our assets. See Description of Other Indebtedness.

The 2005 Senior Notes will mature prior to the exchange notes. In addition, we may be required to pay substantial amounts in cash to holders of the 2005 Convertible Notes at the time of conversion prior to maturity. As a result of making cash payments on the 2005 Senior Notes, we may not have sufficient cash to pay the principal of, or interest on, the exchange notes.

The exchange notes are senior in right of payment to the 2005 Convertible Notes and rank equally in right of payment to the 2005 Senior Notes. However, the 2005 Convertible Notes will mature on July 15, 2012, four years before the maturity of the exchange notes and the 2005 Senior

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Notes will mature on June 15, 2013, three years before the maturity of the exchange notes. Therefore, we will repay the holders of the 2005 Notes, combined, \$350.0 million before we are required to repay principal of the exchange notes at maturity. In

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addition, we may be required to pay substantial amounts in cash to holders of the 2005 Convertible Notes prior to their stated maturity at the time of conversion. The indentures governing the exchange notes and the 2005 Senior Notes generally allow for these payments, and our amended and restated senior secured credit facility permits these payments in some, but not all, circumstances. See Description of Other Indebtedness. However, payments of the 2005 Convertible Notes upon conversion could be construed to be a prepayment of principal on subordinated debt, and our existing and future senior debt may prohibit us from making those payments, or may restrict our ability to do so by requiring that we satisfy certain covenants relating to the making of restricted payments. If we are unable to pay the conversion consideration, we could seek consent from our senior creditors to make the payment. If we are unable to obtain their consent, we could attempt to refinance the debt. If we were unable to obtain consent or refinance the debt, we would be prohibited from paying the cash portion of the conversion consideration, in which case we would have an event of default under the indenture governing the 2005 Convertible Notes. An event of default under the 2005 Convertible Note indenture most likely would constitute an event of default under the indentures governing the exchange notes and the 2005 Senior Notes and under our amended and restated senior secured credit facility.

The indenture governing the 2005 Convertible Notes provides that they are convertible only upon the occurrence of certain events. However, we generally will be unable to control timing of any conversion of the 2005 Convertible Notes. As a result of making cash payments on the 2005 Convertible Notes, we may not have sufficient cash to pay the principal of, or interest on, the exchange notes and the 2005 Senior Notes. For example, if a significant amount of 2005 Convertible Notes were converted shortly before a regular interest payment date for the exchange notes offered hereby, we may not have sufficient cash to make the interest payment on the exchange notes and the 2005 Senior Notes. We may attempt to borrow under our amended and restated senior secured credit facility to fund interest payments on the exchange notes and the 2005 Senior Notes, but there can be no assurance that we will have sufficient availability under that or any successor facility or that our credit facility lenders will allow us to draw on that facility for the purpose of making payments on the Notes and the 2005 Senior Notes.

Your right to receive payments on the exchange notes could be adversely affected if any of our non-guarantor subsidiaries declare bankruptcy, liquidate, or reorganize. Our guarantor subsidiaries also guarantee the 2005 Notes and the amended and restated senior secured credit facility, and their assets may not be sufficient to pay all obligations under the exchange notes and the 2005 Notes.

Some but not all of our subsidiaries will guarantee the exchange notes. In the event of a bankruptcy, liquidation or reorganization of any of our non-guarantor subsidiaries, holders of their indebtedness and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to us.

As of September 30, 2006, after giving pro forma effect to the Transactions, the exchange notes were effectively junior to \$28.3 million of indebtedness and other liabilities (including trade payables) of our non-guarantor subsidiaries. As of September 30, 2006, after giving pro forma effect to the Transactions, our non-guarantor subsidiaries generated 13.4% of our consolidated revenues in the nine-month period ended September 30, 2006 and held 9.6% of our consolidated assets as of that date.

Federal and state statutes allow courts, under specific circumstances, to void guarantees and require note holders to return payments received from guarantors.

Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee can be voided, or claims in respect of a guarantee can be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

received less than reasonably equivalent value or fair consideration for the incurrence of such guarantee; and

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was insolvent or rendered insolvent by reason of such incurrence; or

was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or

intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee can be voided and required to be returned to the guarantor, or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets; or

if the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or

it could not pay its debts as they become due.

On the basis of historical financial information, recent operating history and other factors, we believe that each guarantor, after giving effect to its guarantee of these notes and the 2005 Notes, will not be insolvent, will not have unreasonably small capital for the business in which it is engaged and will not have incurred debts beyond its ability to pay such debts as they mature. We cannot assure you, however, as to what standard a court would apply in making these determinations or that a court would agree with our conclusions in this regard.

We may not have the ability to raise the funds necessary to finance the change of control offer required by the indenture governing the exchange notes.

Upon the occurrence of certain specific kinds of change of control events, we will be required to offer to repurchase all outstanding exchange notes at 101% of the principal amount thereof plus accrued and unpaid interest and special interest, if any, to the date of repurchase. We will be required to offer to repurchase all outstanding 2005 Notes upon similar events. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of notes or that restrictions in our amended and restated senior secured credit facility will not allow such repurchases. In addition, certain important corporate events, such as leveraged recapitalizations, that would increase the level of our indebtedness, would not constitute a change of control under the indenture. See Description of the Exchange Notes Repurchase at the Option of Holders.

If an active trading market does not develop for the exchange notes, you may not be able to resell them.

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There is no existing trading market for the exchange notes. We do not intend to list the old notes or the exchange notes on any national securities exchange or to seek the admission of the notes for quotation through the National Association of Securities Dealers Automated Quotation System. Although the initial purchasers of the old notes have informed us that they intend to make a market in the exchange notes, they are not obligated to do so and may discontinue such market-making activity at any time without notice. In addition, market-making activity will be subject to the limits imposed by the Securities Act and the Exchange Act and may be limited during the exchange offer and the pendency of any shelf registration statement. Although the old notes are eligible for trading in The PORTAL Market, there can be no assurance as to the development or liquidity of any market for the old notes or the exchange notes, the ability of the holders of the old notes or the exchange notes to sell their old notes or the exchange notes or the price at which the holders would be able to sell their old notes or the exchange notes.

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The liquidity of any trading market for the exchange notes will depend upon the number of holders of the exchange notes, our performance, the market for similar securities, the interest of securities dealers in making a market in the exchange notes and other factors. As a result, you cannot be sure that an active trading market will develop for the exchange notes.

In addition, the market for non-investment grade debt historically has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the old notes and the exchange notes. The market for the old notes or exchange notes, if any, may be subject to similar disruptions that could adversely affect their value and liquidity.

Risks Related to Notes Not Exchanged

If you do not properly tender your old notes, your ability to transfer those old notes will be adversely affected.

We will only issue exchange notes in exchange for old notes that are timely received by the exchange agent, together with all required documents, including a properly completed and signed letter of transmittal. Therefore, you should allow sufficient time to ensure timely delivery of the old notes, and you should carefully follow the instructions on how to tender your old notes. See *The Exchange Offer Procedures for Tendering*. Neither we nor the exchange agent are required to tell you of any defects or irregularities with respect to your tender of the old notes. If you do not tender your old notes or if we do not accept your old notes because you did not tender your old notes properly, then, after we consummate the exchange offer, you may continue to hold old notes that are subject to the existing transfer restrictions. In addition, if you tender your old notes for the purpose of participating in a distribution of the exchange notes, you will be required to comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale of the exchange notes. If you are a broker-dealer that receives exchange notes for your own account in exchange for old notes that you acquired as a result of market-making activities or any other trading activities, you will be required to acknowledge that you will deliver a prospectus in connection with any resale of those exchange notes. After the exchange offer is consummated, if you continue to hold any old notes, you may have difficulty selling them because there will be fewer old notes outstanding. In addition, if a large number of old notes are not tendered or are tendered improperly, the limited number of exchange notes that would be issued and outstanding after we consummate the exchange offer could lower the market price of the exchange notes.

If you do not exchange your old notes, your old notes will continue to be subject to the existing transfer restrictions and you may be unable to sell your old notes.

We did not register the old notes under the Securities Act, nor do we intend to do so following the exchange offer. Old notes that are not tendered will therefore continue to be subject to the existing transfer restrictions and may be transferred only in limited circumstances under the securities laws. If you do not exchange your old notes, you will lose your right to have your old notes registered under the federal securities laws, except in limited circumstances. As a result, you will not be able to offer or sell old notes except in reliance on an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws.

Because we anticipate that most holders of old notes will elect to exchange their old notes, we expect that the liquidity of the market for any old notes remaining after the completion of the exchange offer may be substantially limited. Any old notes tendered and exchanged in the exchange offer will reduce the aggregate principal amount of the old notes outstanding. Following the exchange offer, if you did not tender your old notes you generally will not have any further registration rights. Accordingly, the liquidity of the market for any old notes could be adversely affected and you may be unable to sell them.

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THE EXCHANGE OFFER

Purpose and Effect

On October 3, 2006, we entered into a registration rights agreement with the initial purchasers of the old notes, which requires us to file a registration statement under the Securities Act with respect to the old notes and, upon the effectiveness of the registration statement, offer to the holders of the old notes the opportunity to exchange their old notes for a like principal amount of exchange notes. The exchange notes will be issued without a restrictive legend and generally may be reoffered and resold without registration under the Securities Act. The registration rights agreement further provides that we must use our commercially reasonable efforts to have the registration statement declared effective by the SEC by April 30, 2007 and must use our commercially reasonable efforts to issue on or prior to 30 business days, or longer, if required by the federal securities laws, after the date on which the registration statement was declared effective by the SEC, exchange notes in exchange for all old notes tendered prior thereto in the exchange offer.

Except as described below, upon the completion of the exchange offer, our obligations with respect to the registration of the old notes and the exchange notes will terminate. Please read the following summary in conjunction with the complete version of the registration rights agreement, a copy of which was filed with the SEC on October 10, 2006 as an exhibit to our Current Report on Form 8-K, dated October 3, 2006. This summary of the material provisions of the registration rights agreement does not purport to be complete and is qualified in its entirety by reference to the complete registration rights agreement. Capitalized terms in this summary that have not been defined herein have the meanings given to those terms in the registration rights agreement.

As a result of the timely filing and the effectiveness of the registration statement, we will not have to pay certain Special Interest on the old notes provided in the registration rights agreement. Following the completion of the exchange offer, holders of old notes not tendered will not have any further registration rights other than as set forth in the following paragraph and the old notes will continue to be subject to certain restrictions on transfer. Additionally, the liquidity of the market for the old notes could be adversely affected upon consummation of the exchange offer.

After the exchange offer, we will still be required to file a shelf registration statement covering resales of the old notes if:

(1) we are not permitted to consummate the exchange offer because the exchange offer is not permitted by applicable law or SEC policy; or

(2) any holder of Transfer Restricted Securities notifies FTI prior to the 20th business day following consummation of the exchange offer that:

(a) it is prohibited by law or SEC policy from participating in the exchange offer;

(b) it may not resell the exchange notes acquired by it in the exchange offer to the public without delivering a prospectus and the prospectus contained in the exchange offer registration statement is not appropriate or available for such resales; or

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(c) it is a broker-dealer and owns notes acquired directly from FTI or an affiliate of FTI.

For purposes of the preceding, *Transfer Restricted Securities* means each old note until the earliest to occur of:

(1) the date on which such old note has been exchanged by a Person other than a broker-dealer for an exchange note in the exchange offer;

(2) following the exchange by a broker-dealer in the exchange offer of an old note for an exchange note, the date on which such exchange note is sold to a purchaser who receives from such broker-dealer on or prior to the date of such sale a copy of the prospectus contained in the exchange offer registration statement;

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(3) the date on which such old note has been effectively registered under the Securities Act and disposed of in accordance with the shelf registration statement; or

(4) the date on which such old note is distributed to the public pursuant to Rule 144 under the Securities Act.

If obligated to file the shelf registration statement, we will use our commercially reasonable efforts to file the shelf registration statement with the SEC on or prior to 30 days after the filing obligation arises (but no earlier than January 31, 2007) and to cause the shelf registration statement to be declared effective by the SEC on or prior to 90 days after the obligation arises (but no earlier than April 30, 2007).

If:

(1) we fail to file any of the registration statements required by the registration rights agreement on or before the date specified for such filing;

(2) any of such registration statements is not declared effective by the SEC on or prior to the date specified for such effectiveness;

(3) we fail to consummate the exchange offer within 30 business days of the date the exchange offer registration statement is declared effective by the SEC; or

(4) the shelf registration statement or the exchange offer registration statement is declared effective but thereafter ceases to be effective or usable in connection with resales of Transfer Restricted Securities during the periods specified in the registration rights agreement (each such event referred to in clauses (1) through (4) above, a Registration Default),

then we will pay Special Interest to each holder of Transfer Restricted Securities from and including the date on which any such Registration Default occurs to but excluding the date on which all Registration Defaults have been cured or waived.

The rate of Special Interest will be 0.25% per annum for the first 90-day period immediately following the occurrence of the first Registration Default, and such rate will increase by an additional 0.25% per annum with respect to each subsequent 90-day period thereafter until all Registration Defaults have been cured or waived, up to a maximum amount of Special Interest for all Registration Defaults of 1.0% per annum.

All accrued Special Interest will be paid by us on the next scheduled interest payment date to The Depository Trust Company or its nominee by wire transfer of immediately available funds or by federal funds check and to holders of Certificated Notes by wire transfer to the accounts specified by them or by mailing checks to their registered addresses if no such accounts have been specified. Special Interest is in addition to any other interest or premium, if any, that may be payable from time to time with respect to the notes.

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Following the cure of all Registration Defaults, the accrual of Special Interest will cease.

Transferability of the Exchange Notes

Based on an interpretation by the SEC's staff set forth in no-action letters issued to third parties unrelated to us, we believe that, with the exceptions set forth below, exchange notes issued in the exchange offer may be offered for resale, resold and otherwise transferred by the holder of exchange notes without compliance with the registration and prospectus delivery requirements of the Securities Act, if:

you, or the person or entity receiving the exchange notes, acquires the exchange notes in the ordinary course of business;

neither you nor any such person or entity is engaging in or intends to engage in a distribution of the exchange notes within the meaning of the federal securities laws;

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neither you nor any such person or entity has an arrangement or understanding with any person or entity to participate in any distribution of the exchange notes; and

neither you nor any such person or entity is an affiliate of FTI Consulting, Inc., as that term is defined in Rule 405 under the Securities Act.

To participate in the exchange offer, you must represent as the holder of old notes that each of these statements is true.

Any holder of outstanding notes who is our affiliate or who intends to participate in the exchange offer for the purpose of distributing the exchange notes:

will not be able to rely on the interpretation of the staff of the SEC set forth in the no-action letters described above; and

must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any sale or transfer of the exchange notes, unless the sale or transfer is made pursuant to an exemption from those requirements.

Each broker-dealer that receives exchange notes for its own account in exchange for old notes, where those old notes were acquired by that broker-dealer as a result of market making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of those exchange notes. See Plan of Distribution. Broker-dealers who acquired old notes directly from us and not as a result of market making activities or other trading activities may not rely on the staff's interpretations discussed above or participate in the exchange offer and must comply with the prospectus delivery requirements of the Securities Act in order to sell the old notes.

Following the consummation of the exchange offer, holders of the old notes who were eligible to participate in the exchange offer but who did not tender their old notes will not have any further registration rights and the old notes will continue to be subject to certain restrictions on transfer. Accordingly, the liquidity of the market for the outstanding notes could be adversely affected.

Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and in the letter of transmittal, we will accept any and all old notes validly tendered and not withdrawn prior to 5:00 p.m., New York City time, on _____, 2007, or such date and time to which we extend the offer. We will issue in denominations of \$2,000 in principal amount and integral multiples of \$1,000 in principal amount in excess thereof of exchange notes in exchange for each \$1,000 principal amount of outstanding old notes accepted in the exchange offer. Holders may tender some or all of their old notes pursuant to the exchange offer. However, old notes may be tendered only in integral multiples of \$1,000 in principal amount.

The exchange notes will evidence the same debt as the old notes and will be issued under the terms of, and entitled to the benefits of, the indenture relating to the old notes.

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This prospectus, together with the letter of transmittal, is being sent to the registered holder and to others believed to have beneficial interests in the old notes. We intend to conduct the exchange offer in accordance with the applicable requirements of the Exchange Act and the rules and regulations of the SEC promulgated under the Exchange Act.

We will be deemed to have accepted validly tendered old notes when we have given oral or written notice thereof to Wilmington Trust Company, the exchange agent. The exchange agent will act as agent for the tendering holders for the purpose of receiving the exchange notes from us. If any tendered old notes are not

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accepted for exchange because of an invalid tender, the occurrence of certain other events set forth under the heading **Conditions to the Exchange Offer** or otherwise, certificates for any such unaccepted old notes will be returned, without expense, to the tendering holder of those old notes promptly after the Expiration Date unless the exchange offer is extended.

Holders who tender old notes in the exchange offer will not be required to pay brokerage commissions or fees or, subject to the instructions in the letter of transmittal, transfer taxes with respect to the exchange of old notes in the exchange offer. We will pay all charges and expenses, other than certain applicable taxes, applicable to the exchange offer. See **Fees and Expenses**.

Expiration Date; Extensions; Amendments

The Expiration Date shall be 5:00 p.m., New York City time, on _____, 2007 unless we, in our sole discretion, extend the exchange offer, in which case the Expiration Date shall be the latest date and time to which the exchange offer is extended. In order to extend the exchange offer, we will issue a notice of such extension by press release or other public announcement and notify the exchange agent and each registered holder of such extension by oral or written notice prior to 9:00 a.m., New York City time, on the next business day after the previously scheduled Expiration Date. We reserve the right, in our sole discretion:

to extend the exchange offer (and, in connection with any such extension, to delay the acceptance of any old notes) or, if any of the conditions set forth under **Conditions to the Exchange Offer** have not been satisfied, to terminate the exchange offer, by giving oral or written notice of that delay, extension or termination to the exchange agent; or

to amend the terms of the exchange offer in any manner.

In the event that we make a fundamental change to the terms of the exchange offer, we will file a post-effective amendment to the registration statement.

Each broker-dealer that receives exchange notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See **Plan of Distribution**.

Procedures for Tendering

Only a holder of old notes may tender the old notes in the exchange offer. Except as set forth under **Book-Entry Transfer**, to tender in the exchange offer a holder must complete, sign and date the letter of transmittal, or a copy of the letter of transmittal, have the signatures on the letter of transmittal guaranteed if required by the letter of transmittal and mail or otherwise deliver the letter of transmittal or copy to the exchange agent prior to the Expiration Date. In addition:

certificates for the old notes must be received by the exchange agent along with the letter of transmittal prior to the Expiration Date;

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a timely confirmation of a book-entry transfer, or a Book-Entry Confirmation, of the old notes, if that procedure is available, into the exchange agent's account at The Depository Trust Company, or the Book-Entry Transfer Facility, following the procedure for book-entry transfer described below, must be received by the exchange agent prior to the Expiration Date; or

you must comply with the guaranteed delivery procedures described below.

To be tendered effectively, the letter of transmittal and other required documents must be received by the exchange agent at the address set forth under Exchange Agent prior to the Expiration Date.

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Your tender, if not withdrawn prior to 5:00 p.m., New York City time, on the Expiration Date, will constitute an agreement between you and us in accordance with the terms and subject to the conditions set forth herein and in the letter of transmittal.

The method of delivery of old notes and the letter of transmittal and all other required documents to the exchange agent is at your election and risk. Instead of delivery by mail, it is recommended that you use an overnight or hand delivery service. In all cases, sufficient time should be allowed to assure delivery to the exchange agent before the Expiration Date. No letter of transmittal or old notes should be sent to us. You may request your broker, dealer, commercial bank, trust company or nominee to effect these transactions for you.

Any beneficial owner whose old notes are registered in the name of a broker, dealer, commercial bank, trust company, or other nominee and who wishes to tender should contact the registered holder promptly and instruct the registered holder to tender on the beneficial owner's behalf. If the beneficial owner wishes to tender on its own behalf, the beneficial owner must, prior to completing and executing the letter of transmittal and delivering the owner's old notes, either make appropriate arrangements to register ownership of the old notes in the beneficial owner's name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take considerable time.

Signatures on a letter of transmittal or a notice of withdrawal, as the case may be, must be guaranteed by an eligible guarantor institution within the meaning of Rule 17Ad-15 under the Exchange Act unless old notes tendered pursuant thereto are tendered:

by a registered holder who has not completed the box entitled Special Registration Instruction or Special Delivery Instructions on the letter of transmittal; or

for the account of an eligible guarantor institution.

If signatures on a letter of transmittal or a notice of withdrawal, as the case may be, are required to be guaranteed, the guarantee must be by any eligible guarantor institution that is a member of or participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or an eligible guarantor institution.

If the letter of transmittal is signed by a person other than the registered holder of any old notes listed in the letter of transmittal, the old notes must be endorsed or accompanied by a properly completed bond power, signed by the registered holder as that registered holder's name appears on the old notes.

If the letter of transmittal or any old notes or bond powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and evidence satisfactory to us of their authority to so act must be submitted with the letter of transmittal unless waived by us.

All questions as to the validity, form, eligibility, including time of receipt, acceptance, and withdrawal of tendered old notes will be determined by us in our sole discretion, which determination will be final and binding. We reserve the absolute right to reject any and all old notes not properly tendered or any old notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to particular old notes. Our interpretation of the terms and conditions of the exchange offer, including the instructions in the letter of transmittal, will be final and binding on all parties. Unless waived, any defects or irregularities in connection with tenders of old notes must be cured within the time that we determine. Although we intend to notify holders of defects or

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irregularities with respect to tenders of old notes, neither we, the exchange agent, nor any other person will incur any liability for failure to give that notification. Tenders of old notes will not be deemed to have been made until such defects or irregularities have been cured or waived. Any old notes received by the exchange agent that are not properly tendered and as to

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which the defects or irregularities have not been cured or waived will be returned by the exchange agent to the tendering holders, unless otherwise provided in the letter of transmittal, promptly following the Expiration Date, unless the exchange offer is extended.

In addition, we reserve the right in our sole discretion to purchase or make offers for any old notes that remain outstanding after the Expiration Date or, to the extent permitted by applicable law, purchase old notes in the open market, in privately negotiated transactions, or otherwise, following a termination of the exchange offer. The terms of any such purchases or offers could differ from the terms of the exchange offer.

In all cases, issuance of exchange notes for old notes that are accepted for exchange in the exchange offer will be made only after timely receipt by the exchange agent of certificates for those old notes or a timely Book-Entry Confirmation of those old notes into the exchange agent's account at the Book-Entry Transfer Facility, a properly completed and duly executed letter of transmittal or, with respect to The Depository Trust Company and its participants, electronic instructions in which the tendering holder acknowledges its receipt of and agreement to be bound by the letter of transmittal, and all other required documents. If any tendered old notes are not accepted for any reason set forth in the terms and conditions of the exchange offer or if old notes are submitted for a greater principal amount than the holder desires to exchange, those unaccepted or non-exchanged old notes will be returned without expense to the tendering holder or, in the case of old notes tendered by book-entry transfer into the exchange agent's account at the Book-Entry Transfer Facility according to the book-entry transfer procedures described below, those non-exchanged old notes will be credited to an account maintained with that Book-Entry Transfer Facility, in each case, promptly after the expiration or termination of the exchange offer.

Each broker-dealer that receives exchange notes for its own account in exchange for old notes, where such old notes were acquired by such broker-dealer as a result of market making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of such exchange notes. See Plan of Distribution.

Book-Entry Transfer

The exchange agent will make a request to establish an account with respect to the old notes at the Book-Entry Transfer Facility for purposes of the exchange offer within two business days after the date of this prospectus, and any financial institution that is a participant in the Book-Entry Transfer Facility's systems may make book-entry delivery of old notes being tendered by causing the Book-Entry Transfer Facility to transfer those old notes into the exchange agent's account at the Book-Entry Transfer Facility in accordance with that Book-Entry Transfer Facility's procedures for transfer. However, although delivery of old notes may be effected through book-entry transfer at the Book-Entry Transfer Facility, the letter of transmittal or copy of the letter of transmittal, with any required signature guarantees and any other required documents, must, in any case other than as set forth in the following paragraph, be transmitted to and received by the exchange agent at the address set forth under Exchange Agent on or prior to the Expiration Date or the guaranteed delivery procedures described below must be complied with.

The Depository Trust Company's Automated Tender Offer Program, or ATOP, is the only method of processing exchange offers through The Depository Trust Company. To accept the exchange offer through ATOP, participants in The Depository Trust Company must send electronic instructions to The Depository Trust Company through The Depository Trust Company's communication system instead of sending a signed, hard copy letter of transmittal. The Depository Trust Company is obligated to communicate those electronic instructions to the exchange agent. To tender old notes through ATOP, the electronic instructions sent to The Depository Trust Company and transmitted by The Depository Trust Company to the exchange agent must contain the character by which the participant acknowledges its receipt of and agrees to be bound by the letter of transmittal.

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Guaranteed Delivery Procedures

If a registered holder of the old notes desires to tender old notes and the old notes are not immediately available, or time will not permit that holder's old notes or other required documents to reach the exchange agent prior to 5:00 p.m., New York City time, on the Expiration Date, or the procedure for book-entry transfer cannot be completed on a timely basis, a tender may be effected if:

the tender is made through an eligible guarantor institution;

prior to 5:00 p.m., New York City time, on the Expiration Date, the exchange agent receives from that eligible guarantor institution a properly completed and duly executed letter of transmittal or a facsimile of duly executed letter of transmittal and notice of guaranteed delivery, substantially in the form provided by us, by telegram, telex, fax transmission, mail or hand delivery, setting forth the name and address of the holder of old notes and the amount of the old notes tendered and stating that the tender is being made by guaranteed delivery and guaranteeing that within three New York Stock Exchange, Inc., or NYSE, trading days after the date of execution of the notice of guaranteed delivery, the certificates for all physically tendered old notes, in proper form for transfer, or a Book-Entry Confirmation, as the case may be, will be deposited by the eligible guarantor institution with the exchange agent; and

the certificates for all physically tendered old notes, in proper form for transfer, or a Book-Entry Confirmation, as the case may be, are received by the exchange agent within three NYSE trading days after the date of execution of the notice of guaranteed delivery.

Withdrawal Rights

Tenders of old notes may be withdrawn at any time prior to 5:00 p.m., New York City time, on the Expiration Date.

For a withdrawal of a tender of old notes to be effective, a written or, for The Depository Trust Company participants, electronic ATOP transmission notice of withdrawal, must be received by the exchange agent at its address set forth under Exchange Agent prior to 5:00 p.m., New York City time, on the Expiration Date. Any such notice of withdrawal must:

specify the name of the person having deposited the old notes to be withdrawn, or the Depositor;

identify the old notes to be withdrawn, including the certificate number or numbers and principal amount of those old notes;

be signed by the holder in the same manner as the original signature on the letter of transmittal by which those old notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer sufficient to have the trustee register the transfer of those old notes into the name of the person withdrawing the tender; and

specify the name in which those old notes are to be registered, if different from that of the Depositor.

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All questions as to the validity, form, eligibility and time of receipt of these notices will be determined by us, which determination will be final and binding on all parties. Any old notes so withdrawn will be deemed not to have been validly tendered for exchange for purposes of the exchange offer. Any old notes which have been tendered for exchange, but which are not exchanged for any reason, will be returned to the holder of those old notes without cost to that holder promptly after withdrawal, rejection of tender, or termination of the exchange offer. Properly withdrawn old notes may be retendered by following one of the procedures under Procedures for Tendering at any time on or prior to the Expiration Date.

Conditions to the Exchange Offer

Notwithstanding any other provision of the exchange offer, we will not be required to accept for exchange, or to issue exchange notes in exchange for, any old notes and may terminate or amend the exchange offer if at

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any time before the acceptance of those old notes for exchange or the exchange of the exchange notes for those old notes, we determine in our reasonable judgment that the exchange offer violates applicable law, any applicable interpretation of the staff of the SEC or any order of any governmental agency or court of competent jurisdiction.

The foregoing conditions are for our sole benefit and may be asserted by us regardless of the circumstances giving rise to any such condition or may be waived by us in whole or in part at any time and from time to time. The failure by us at any time to exercise any of the foregoing rights will not be deemed a waiver of any of those rights and each of those rights will be deemed an ongoing right which may be asserted at any time and from time to time. Notwithstanding the foregoing, all conditions to the exchange offer, other than those relating to violations of applicable law or an order of a governmental agency or court, must be satisfied or waived prior to expiration of the exchange offer. In the event that we waive any of the foregoing conditions, such waiver will apply equally to all tendering holders.

In addition, we will not accept for exchange any old notes tendered, and no exchange notes will be issued in exchange for those old notes, if at such time any stop order will be threatened or in effect with respect to the registration statement of which this prospectus constitutes a part or the qualification of the indenture under the Trust Indenture Act of 1939. In any of those events we are required to use every commercially reasonable effort to obtain the withdrawal of any stop order at the earliest possible time.

Effect of Not Tendering

To the extent old notes are tendered and accepted in the exchange offer, the principal amount of old notes will be reduced by the amount so tendered and a holder's ability to sell untendered old notes could be adversely affected. In addition, after the completion of the exchange offer, the old notes will remain subject to restrictions on transfer. Since the old notes have not been registered under the federal securities laws, they bear a legend restricting their transfer absent registration or the availability of a specific exemption from registration. The holders of old notes not tendered will have no further registration rights, except for the limited registration rights described above under the heading "Purpose and Effect."

Accordingly, the old notes not tendered may be resold only:

to us or our subsidiaries;

pursuant to a registration statement which has been declared effective under the Securities Act;

for so long as the old notes are eligible for resale pursuant to Rule 144A under the Securities Act, to a person the seller reasonably believes is a qualified institutional buyer that purchases for its own account or for the account of a qualified institutional buyer to whom notice is given that the transfer is being made in reliance on Rule 144A; or

pursuant to any other available exemption from the registration requirements of the Securities Act (in which case FTI Consulting, Inc. and the trustee under the indenture for the old notes will have the right to require the delivery of an opinion of counsel, certifications and/or other information satisfactory to FTI Consulting, Inc. and the trustee).

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Upon completion of the exchange offer, due to the restrictions on transfer of the old notes and the absence of such restrictions applicable to the exchange notes, it is likely that the market, if any, for old notes will be relatively less liquid than the market for exchange notes. Consequently, holders of old notes who do not participate in the exchange offer could experience significant diminution in the value of their old notes compared to the value of the exchange notes.

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Exchange Agent

All executed letters of transmittal should be directed to the exchange agent. Wilmington Trust Company has been appointed as exchange agent for the exchange offer. Questions, requests for assistance and requests for additional copies of this prospectus or of the letter of transmittal should be directed to the exchange agent addressed as follows:

By Certified or Registered Mail:	By Overnight Courier or Hand:	By Facsimile:
Wilmington Trust Company	Wilmington Trust Company	(302) 636-4139
Rodney Square North	Rodney Square North	Attention: Exchanges
1100 North Market Street	1100 North Market Street	Confirm by Telephone:
Wilmington, DE 19890-1626	Wilmington, DE 19890-1626	(302) 636-6470
Attention: Alisha Clendaniel	Attention: Alisha Clendaniel	For Information Call:
		(302) 636-6470

Originals of all documents sent by facsimile should be sent promptly by registered or certified mail, by hand or by overnight delivery service.

Fees And Expenses

We will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer. The principal solicitation is being made by mail; however, additional solicitations may be made in person or by telephone by our officers and employees. The estimated cash expenses to be incurred in connection with the exchange offer will be paid by us and will include fees and expenses of the exchange agent, accounting, legal, printing and related fees and expenses.

Transfer Taxes

Holders who tender their old notes for exchange notes will not be obligated to pay any transfer taxes in connection with that tender or exchange, except that holders who instruct us to register exchange notes in the name of, or request that old notes not tendered or not accepted in the exchange offer be returned to, a person other than the registered tendering holder will be responsible for the payment of any applicable transfer tax on those old notes.

Accounting Treatment

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The exchange notes will be recorded at the same carrying value as the old notes, as reflected in our accounting records on the date of the exchange. Accordingly, we will recognize no gain or loss for accounting purposes upon the closing of the exchange offer. We will amortize the expenses of the exchange offer over the term of the exchange notes under accounting principles generally accepted in the United States.

Table of Contents**USE OF PROCEEDS**

We will not receive any cash proceeds from the exchange offer. In consideration for issuing the exchange notes as contemplated in this prospectus, we will receive in exchange old notes in like principal amount, which will be cancelled and as such will not result in any increase in our indebtedness.

The following table summarizes the sources and uses of funds in connection with the issuance of the old notes and the Transactions.

Sources of Funds:	(\$ millions)	Uses of Funds:	(\$ millions)
Old notes	\$ 215.0	Acquisition of FD ⁽⁴⁾	\$ 255.4
Amended and restated senior secured credit facility ⁽¹⁾	40.0	Repayment of FD bank debt	25.4
Notes issued in connection with the Acquisition ⁽²⁾	6.9	Fees and expenses related to the Acquisition	5.2
FTI common stock ⁽³⁾	27.9		
Cash on hand	5.4	Fees and expenses related to the old notes	9.2
Total sources	\$ 295.2	Total uses	\$ 295.2

- (1) The amended and restated senior secured credit facility provides for borrowings of up to \$150.0 million. See Description of Other Indebtedness Amended and Restated Senior Secured Credit Facility. On the Closing Date, we borrowed \$40.0 million under the revolving line of credit.
- (2) Reflects the issuance of approximately \$6.9 million of loan notes to FD shareholders in connection with the Acquisition.
- (3) Assumes the issuance of approximately 1.2 million shares of restricted common stock to FD shareholders in connection with the Acquisition. As of October 4, 2006, we issued approximately 1.1 million shares of restricted common stock to FD shareholders. We anticipate issuing approximately 77,100 additional shares of our common stock in consideration for the remaining approximately 3% of FD share capital that is outstanding.
- (4) Represents purchase consideration for 100% of FD. The acquisition of an estimated 3% of the FD share capital that is outstanding is expected to be completed in the first quarter of 2007.

Table of Contents**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and capitalization as of September 30, 2006, on an actual basis and on an as adjusted basis to give effect to the Transactions as if they had occurred on that date. You should read this table in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and related notes included elsewhere in this prospectus.

	As of September 30, 2006	
	Actual	As Adjusted
	(unaudited)	
	(in thousands)	
Cash and cash equivalents	\$ 22,491	\$ 42,513
Debt:		
Amended and restated senior secured credit facility	\$	\$ 40,000
Exchange notes offered hereby		215,000
7 ⁵ / ₈ % senior notes due 2013, including a fair value hedge adjustment of \$1,982	198,018	198,018
3 ³ / ₄ % convertible senior subordinated notes due 2012	150,000	150,000
Other	385	7,259 ⁽¹⁾
Total debt	348,403	610,277
Total stockholders' equity	511,531	539,431 ⁽²⁾
Total capitalization	\$ 859,934	\$ 1,149,708

- (1) Reflects the issuance of approximately \$6.9 million of loan notes to FD shareholders in connection with the Acquisition.
- (2) Assumes the issuance of approximately 1.2 million of restricted common stock to FD shareholders in connection with the Acquisition. As of October 4, 2006, we issued approximately 1.1 million shares of restricted common stock to FD shareholders. We anticipate issuing approximately 77,100 additional shares of restricted common stock in consideration for the remaining approximately 3% of FD share capital that is outstanding.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following unaudited pro forma condensed consolidated financial statements have been derived by the application of pro forma adjustments to our historical consolidated financial statements. The unaudited pro forma condensed consolidated balance sheet as of September 30, 2006 gives effect to the Transactions as if they had occurred as of September 30, 2006. The unaudited pro forma condensed consolidated income statements for the year ended December 31, 2005 and the nine months ended September 30, 2006 give effect to the Transactions (as defined below) as if they had occurred as of January 1, 2005. The unaudited pro forma condensed consolidated financial statements do not purport to represent what our results of operations or financial position would have been as if the Transactions had occurred on the dates indicated and are not intended to project our results of operations or financial position for any future period or date.

The term "Financing Transactions" means, collectively:

the issuance of the \$215.0 million of our 7³/₄% senior notes due 2016;

the draw of \$40.0 million under our amended and restated senior secured credit facility;

the issuance of \$6.9 million of loan notes to FD shareholders; and

the assumed issuance of 1.2 million shares of our common stock to FD shareholders valued at \$27.9 million.

The Financing Transactions, together with the Acquisition, are collectively referred to as the "Transactions".

All historical FD financial data included in the pro forma condensed consolidated financial statements are presented in accordance with U.K. generally accepted accounting principles. With the exception of certain reclassifications to conform FD financial data to FTI's historical presentation, the U.S. GAAP adjustments for 2005 have been audited in accordance with auditing standards generally accepted in the United States of America. The U.S. GAAP adjustments to the income statement for the nine months ended September 30, 2006 are unaudited. For purposes of the following unaudited pro forma condensed consolidated financial statements, the FD balance sheet as of September 30, 2006 has been converted at an exchange rate of \$1.87/£1, the FD income statement for the year ended December 31, 2005 has been converted at an average exchange rate of \$1.82/£1 and the FD income statement for the nine months ended September 30, 2006 has been converted at an average exchange rate of \$1.82/£1.

The unaudited pro forma adjustments are based on estimates, available information and certain assumptions that we believe are reasonable. The pro forma adjustments and primary assumptions are described in the accompanying notes. You should read our unaudited pro forma condensed consolidated financial statements and the related notes hereto in conjunction with our historical consolidated financial statements and the related notes thereto and other information contained in "Use of Proceeds," "Capitalization," "Selected Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes thereto included elsewhere in this prospectus.

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We expect to make 338G elections with respect to the Acquisition and therefore no deferred tax adjustments have been assumed for purposes of the pro forma financial statements.

Table of Contents**FTI CONSULTING, INC.****UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET****AS OF SEPTEMBER 30, 2006**

	Historical FTI	Historical FD	Adjustments to conform to U.S. GAAP	Historical FD as Adjusted	Pro Forma Adjustments	Pro Forma
			(in thousands)			
Assets						
Current assets						
Cash and cash equivalents	\$ 22,491	\$ 25,473		\$ 25,473	245,800 (e)	\$ 42,513
					(225,800) (f)	
					(25,451) (g)	
Accounts receivable, net	178,112	23,521		23,521		201,633
Notes receivable	7,528					7,528
Deferred income taxes	9,816	1,766		1,766		11,582
Prepaid expenses and other current assets	27,215	4,355		4,355		31,570
Total current assets	245,162	55,115		55,115		294,826
Property and equipment, net	33,612	5,375		5,375		38,987
Goodwill	647,317	67,697	(14,713) (a)	44,923	138,554 (h)	830,794
			(8,061) (c)			
Other intangible assets, net	33,442		14,997 (a)	14,997	50,685 (i)	99,124
Other assets	71,344	1,332	1,537 (b)	2,869	9,200 (e)	81,876
					(1,537) (j)	
Total assets	\$ 1,030,877	\$ 129,519		\$ 123,279		\$ 1,345,607
Liabilities and Stockholders Equity						
Current liabilities						
Accounts payable, accrued expenses and other	\$ 33,488	\$ 20,574	1,537 (b)	\$ 15,464		\$ 48,952
			(2,223) (c)			
			(4,424) (d)			
Accrued compensation	56,399	6,545		6,545		62,944
Current portion of long-term debt	42	9,943		9,943	(2,252) (j)	3,479
					3,437 (k)	
					(7,691) (g)	
Billings in excess of services provided	10,746	2,947		2,947		13,693
Total current liabilities	100,675	40,009		34,899		129,068
Revolving credit facility					40,000 (e)	40,000
Exchange notes offered hereby					215,000 (e)	215,000
Senior notes	198,018					198,018
Convertible notes	150,000					150,000
Other long term debt	343	56,632		56,632	(38,872) (j)	3,780
					3,437 (k)	
					(17,760) (g)	
Deferred rent, capital lease obligations and other, net of current portion	24,662	10,244		10,244	(10,244) (j)	24,662
Deferred income taxes	45,648					45,648
Stockholders equity	511,531	22,634	284 (a)	21,504	(21,504) (l)	539,431
			(5,838) (c)		27,900 (m)	

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4,424 (d)

Total liabilities and stockholders equity	\$ 1,030,877	\$ 129,519	\$ 123,279	\$ 1,345,607
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See accompanying notes to unaudited pro forma condensed consolidated financial statements.

Table of Contents**FTI CONSULTING, INC.****UNAUDITED PRO FORMA CONDENSED CONSOLIDATED INCOME STATEMENTS****FOR THE YEAR ENDED DECEMBER 31, 2005**

	Historical FTI	Historical FD	Adjustments to conform to U.S. GAAP	Historical FD as Adjusted	Pro Forma Adjustments	Pro Forma
	(in thousands, except per share data)					
INCOME STATEMENT DATA						
Revenues	\$ 539,545	\$ 93,248		\$ 93,248		\$ 632,793
Direct cost of revenues	291,592	10,725	44,313 (n)	55,038		346,630
Selling, general and administrative expense	127,727	66,419	1,361 (o)	23,414	(1,361) (q)	150,391
			(44,366) (n)		611 (r)	
Amortization of other intangibles	6,534	2,641	(342) (o)	2,299	3,644 (s)	12,477
Operating income	113,692	13,463		12,497		123,295
Interest and other expenses, net	(14,876)	(4,128)	(53) (n)	(4,181)	(21,073) (t)	(35,442)
					4,688 (u)	
Litigation settlement gains (losses), net	(1,629)					(1,629)
Income from operations, before income tax provision	97,187	9,335		8,316		86,224
Income tax provision	40,819	3,695	(1,114) (p)	2,581	(7,185) (v)	36,215
Net income	\$ 56,368	\$ 5,640		\$ 5,735		\$ 50,009
Earnings per common share						
Basic	\$ 1.38					\$ 1.19
Diluted	\$ 1.35					\$ 1.16
Weighted average number of common shares outstanding						
Basic	40,947				1,202 (m)	42,149
Diluted	41,787				1,202 (m)	42,989

See accompanying notes to unaudited pro forma condensed consolidated financial statements

Table of Contents**FTI CONSULTING, INC.****UNAUDITED PRO FORMA CONDENSED CONSOLIDATED INCOME STATEMENTS****FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2006**

	Historical FTI	Historical FD	Adjustments to conform to U.S. GAAP	Historical FD as Adjusted	Pro Forma Adjustments	Pro Forma
			(in thousands, except per share data)			
INCOME STATEMENT DATA						
Revenues	\$ 491,092	\$ 92,876		\$ 92,876		\$ 583,968
Direct cost of revenues	276,896	6,732	44,153 (n)	50,885		327,781
Selling, general and administrative expense	121,547	65,520	4,323 (o)	25,690	(4,323) (q)	143,372
			(44,153) (n)		458 (r)	
Special Charges	22,972					22,972
Amortization of other intangibles	8,310	2,876	(710) (o)	2,166	1,519 (s)	11,995
Operating income	61,367	17,748		14,135		77,848
Interest and other expenses, net	(16,105)	(2,749)		(2,749)	(15,804) (t)	(30,709)
					3,949 (u)	
Litigation settlement gains (losses), net	419					419
Income from operations, before income tax provision	45,681	14,999		11,386		47,558
Income tax provision	21,013	6,010	(2,464) (p)	3,546	(2,683) (v)	21,876
Net income	\$ 24,668	\$ 8,989		\$ 7,840		\$ 25,682