# **EXHIBIT F**

ΙN	THE	UNITED	STA	TES	DISTRICT	COURT
		DISTR	СТ	OF :	KANSAS	

EVOLUTION, INC.,	)	Civil Action File
	)	No. 01-2409-CM
Plaintiff,	)	
	)	
vs.	)	
	)	
SUN TRUST BANK and PREMIUM	)	
ASSIGNMENT CORPORATION,	)	
	)	
Defendants.	)	
	)	

DEPOSITION OF DONALD J. REIFER
Los Angeles, California
Thursday, September 25, 2003

Reported by: KARIN E. GLAAB CSR No. 2638

JOB No. 411054



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1	IN THE UNITED STATES DISTRICT COURT	
2	DISTRICT OF KANSAS	
3		
4	EVOLUTION, INC., ) Civil Action File	
	) No. 01-2409-CM	
5	Plaintiff, )	
	)	
6	vs.	
	)	
7	SUN TRUST BANK and PREMIUM )	
	ASSIGNMENT CORPORATION, )	
8	)	
	Defendants. )	
9		
10		
11		
12		
13		
14		
15	Deposition of DONALD J. REIFER, taken on	
16	behalf of Defendants, at 1800 Avenue of the Stars,	
17	10th Floor, Los Angeles, California, beginning at	
18	8:20 a.m. and ending at 11:27 a.m. on Thursday,	
19	September 25, 2003, before KARIN E. GLAAB,	
20	Certified Shorthand Reporter No. 2638, RPR.	
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22		
23		
24		
25	COPY	

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1	Los Angeles, California, Thursday, September 25, 2003
2	8:20 a.m 11:27 a.m.
3	
4	DONALD J. REIFER,
5	having been first duly sworn, was examined and testified
6	as follows:
7	
8	EXAMINATION
9	BY MR. HARRISON:
10	Q Good morning. Just for purposes of clarity, how
11	do you pronounce your last name?
12	A Reifer.
13	Q Reifer. Just confirming. I have heard several
14	variations, so if at some point in time I slip up, don't
15	hesitate to correct me, and a lot of people do, so no
16	problem.
17	Mr. Reifer, have you ever had your deposition
18	taken before?
19	A No, I have not.
20	Q Okay. Would you please state your full name for
21	the record.
22	A Donald Jay Reifer. That's full name is
23	J-a-y.
24	Q And where are you presently located?
25	A Torrance, California.

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1	Q What is the street address there?
2	A Home or business?
3	Q Home.
4	A Home is 2922 West 227th Street, Torrance 90505.
5	Q And what is your business address down in
6	Torrance?
7	A It's located at 22850 Crenshaw, C-r-e-n-s-h-a-w,
8	Boulevard, Suite 202, Torrance 90505.
9	Q What is your Social Security number?
10	A 146-32-0090.
11	Q Am I correct in assuming that you have been
12	retained by Evolution, the plaintiff, in this case, to
13	testify as to certain matters purportedly within your
14	expertise?
15	A That is correct.
16	Q Okay. Do you have an understanding of how you
17	came to be retained by Evolution in this matter?
18	A Could you clarify that.
19	Q Certainly. Do you understand how it is that
20	they came to hire you?
21	A Yes.
22	Q What is your understanding of how that occurred?
23	A My understanding, to the best of my knowledge,
24	they did a search of experts in the field of software
25	economics. They identified me as an expert, contacted

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1	me, then entered into discussions to see if I would	
2	represent them in this case.	
3	Q When was the first time that you recall being	
4	contacted by Evolution or someone on their behalf?	
5	A November of last year.	
6	Q And was that by telephone?	
7	A Yes, it was.	
8	Q Do you recall who it was?	
9	A Don Sprowl.	
10	Q What did Mr. Sprowl say in that conversation in	
11	November of last year?	
12	A He was interested in getting a valuation expert	
13	to help him assess the damages that he reportedly	
14	sustained in a contract dispute with Sun Bank and Premium	
15	Assignment Company.	
16	Q PAC?	
17	A Yeah, PAC. Okay.	
18	Q For ease of reference, it's PAC.	
19	A Yeah.	
20	Q What was the next contact that you recall with	
21	anyone from Evolution or someone acting on their behalf?	
22	A With Don Sprowl again.	
23	Q Okay. When did that occur?	
24	A We had multiple telephone conversations in	
25	November.	

- 1 A No, I did not.
- 2 Q What were your initial opinions that you
- 3 formulated in December last year?
- A Again they are -- well, for the most part, they
- 5 are what are contained within the report; that there were
- 6 breaches of the license agreement and that -- and then
- 7 the other thing that I concluded was basically the
- 8 approach that I would take to come up with a -- for
- 9 valuation purposes, based on current best practices, as
- 10 referenced in the reference list that we have just noted
- 11 on page 15.
- 12 Q Have you ever been retained to do a valuation
- analysis for a software product before Evolution?
- 14 A I have been retained to do independent estimates
- of what it would cost to develop products and also to
- 16 achieve certain productivity. But to do an -- to do
- 17 valuation -- strictly speaking, to do valuation like I
- 18 did for Evolution, no.
- 19 Q To provide the valuation opinion in this case,
- 20 you -- one element was, you utilized the cost estimating
- 21 functionality of a computer program called COCOMO II,
- 22 correct?
- 23 A Yes, I did use the COCOMO II software cost
- 24 estimation model.
- 25 Q And you did research on how valuations should be

- 1 doing testing, that's what consumes time and effort.
- 2 Q As I understand this section of your report,
- 3 5.2.2, you estimate that it would take 9.4 staff months
- 4 to create a replacement for PF32. Is that correct?
- 5 A Let me look at -- that's what the COCOMO model
- 6 predicted, yes. Also predicted an average cost per line
- 7 of \$19 which is well within national norms. Actually
- 8 on -- it's on the low side. I mean, you know, very
- 9 productive.
- 10 O How did you reach the 9.4 staff months estimate?
- 11 A I ran the model, calibrating the parameters as
- 12 noted in, I think it's, Exhibit --
- 13 Q 6.1?
- 14 A Yeah, I think so. It's in the report somewhere.
- 15 I am familiar with a different, you know --
- So what I did is, I calibrated the 22 parameters
- 17 to which cost is found sensitive to, and then ran the
- 18 model several times to come up with a prediction of cost
- 19 and effort. Duration and effort.
- 20 O And it's your opinion that COCOMO II is an
- 21 appropriate tool for arriving at a value for the use of
- 22 PF32 code in the MIDAS program; is that correct?
- 23 A Based on my experience and based on the
- 24 literature, I am of the opinion that it is an appropriate
- 25 tool.

- 1 for the proposition that the use of COCOMO II is an
- 2 appropriate method for valuation of software?
- 3 A Yes.
- 4 Q Which ones?
- 5 A I would have to review them. I do know that it
- 6 is called out very specifically by name in several of the
- 7 references, but I would have to review the references to
- 8 give you the exact citing.
- 9 Q Okay.
- 10 A I do remember that because it made me feel good
- 11 as one of the authors. Almost positive would be the way
- 12 to say it.
- 13 Q Why did you make the decision to use SLOC rather
- 14 than function point analysis for purposes of the COCOMO
- 15 II model that you developed for Evolution?
- 16 A The simple answer was that we could count the
- 17 lines of code on the product.
- 18 Q Couldn't you also count the function points?
- 19 A No, you can't.
- 20 Q Why not?
- 21 A You have to -- the reason that you can't count
- 22 function points is that you have to have the spec to do a
- 23 specification analysis to determine the number of
- 24 function points.
- 25 Q So without a specification, you can't do a

- 1 function point.
- 2 A I couldn't do a function point count. I don't
- 3 know if others could. Without a spec, I couldn't do it.
- 4 O You didn't do the SLOC count --
- 5 A But I can count them with a counter. I have the
- 6 tools, and they are downloadable.
- 7 Q But you didn't do that counting.
- 8 A No. They did the counting. That is correct.
- 9 Q Couldn't they also have done the function point
- 10 analysis?
- 11 A If they had the spec, but it's a much more labor
- 12 intensive task. The easy way to do that is to backfire,
- 13 which is a very common practice. Take the lines of code
- 14 and convert them to function points or vice versa.
- 15 Q Why would it be inappropriate to take the source
- lines of code and, as I believe you said, backfire to
- 17 create function points?
- 18 A Would you restate your question.
- MR. HARRISON: Would you read that back, please.
- 20 THE WITNESS: I don't know if you said
- 21 "appropriate" or "inappropriate."
- 22 BY MR. HARRISON:
- 23 Q "Inappropriate" is what I said.
- 24 A Okay.
- 25 Q I was asking: Why would it be inappropriate to

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1	get SLOC?
2	A You mean project data
3	Q Yes.
4	A if I may clarify.
5	Q Thank you.
6	A In the database? I'm not positive.
7	Q Would you agree with me that function points are
8	a more reliable measure of the complexity of the code?
9	A No.
10	Q Why not?
11	A They have been shown to be ineffective for
12	realtime in scientific type applications.
13	Q What about for applications that aren't realtime
14	or scientific?
15	A They're just as appropriate. This is
16	function points and source lines of code in the software
17	estimating world is religion, and we are arguing religion
18	here. My opinion is that whatever is easy, as a
19	pragmatist, so I use both.
20	Q What version of PF32 was used to come up with
21	the count 9,972 SLOC?
22	A I do not know.
23	MR. HARRISON: Let's take five minutes.
24	THE WITNESS: Yeah.
25	(There was a brief recess from 11:20 a.m.

1 2 I, the undersigned, a Certified Shorthand 3 Reporter of the State of California, do hereby certify: 4 That the foregoing proceedings were taken 5 6 before me at the time and place herein set forth; that 7 any witnesses in the foregoing proceedings, prior to 8 testifying, were placed under oath; that a verbatim 9 record of the proceedings was made by me using machine shorthand which was thereafter transcribed under my 10 11 direction; further, that the foregoing is an accurate 12 transcription thereof. 13 I further certify that I am neither 14 financially interested in the action nor a relative or 15 employee of any attorney of any of the parties. 16 IN WITNESS WHEREOF, I have this date 17 subscribed my name. 18 19 Dated: 20 21 red & Glast 22 KARIN E. GLAAF 23 CSR No. 2638 24

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