

**EXHIBIT 2**  
**AUDITORS' SUBSTANTIVE REASONS FOR ISSUING A DISCLAIMER OF OPINION**  
**(ALL COMPANIES)**

Reason for disclaimer	Frequency
Suffered losses from operations	192
Legal issues	156
Default/restructuring	128
Auditing procedures; evidential matter lacking (documentation issues)	110
Bankruptcy issues	100
Stockholders' equity deficiency	89
Net working capital deficiency	81
Valuation and realization of assets	71
Institutional capital substantially below regulatory guidelines	64
Liquidity needs	61
Questions relating to future profitability and continued operations	54
Need for additional financing	54
General uncertainties	43
Incomplete and inadequate accounting records	32
Inventory observation issues	16
Unclassified	16
Going concern	6
Total	1,293