

POLICY OF CONFLICTS OF INTEREST

A. Statement of Policy on Conflicts of Interest

The restrictive conflict of interest standards applicable to attorneys do not apply to consulting or testifying experts. Unlike attorneys, parties with adverse interests may engage the same consultant or consulting firm. The only legal restriction regarding acceptance of “adverse” engagements by consultants appears to be that an individual consultant cannot testify or be involved on opposite “sides” of the same matter, or in some instances, a closely related matter.

BRG will on occasion be engaged on one matter by a client and, at the same time, engaged in a different matter by a party adverse to that client. The law regarding consultant conflicts focuses on whether actual confidential information has been obtained from a client that might be used that is adverse to the client in a particular matter. The key to avoiding conflicts is to ensure that confidential information obtained from a client is not improperly used and disclosed by BRG to anyone outside the particular engagement team, and that strict “Ethical Wall” rules are enforced when the need arises.

This policy addresses the potential issues that may arise in the context of BRG being engaged by a new client in matters adverse to existing or past clients.

On occasion, clients and their attorneys may not understand the distinction between consultants and attorneys on the issue of conflicts. It may be necessary to discuss these issues with our clients and their counsel to explain how we deal with these situations.¹

B. Other Conflict Check Policy Considerations

1. Names on new business intake forms

The identity of the proposed client(s) and adverse parties must be clear and complete, including the correct and complete spelling of party names and their subsidiaries, parents, “d/b/a/s,” etc. In the case of existing litigation, the complaint is required. Clearly, identifying the client and opposing attorney is required. If additional information on or identification of the involved parties is received after the initial Conflict Check is sent out, this should be provided to the Conflicts team. If appropriate, a revised Conflict Check will be issued.

2. Reviewing a Conflict Check

Each recipient of a Conflict Check should review it carefully and immediately and determine whether the proposed client(s) is (are) currently adverse on another matter, or whether the proposed adverse party (parties) is (are) client(s) on another matter. Such information should be immediately conveyed to the Conflicts team.

3. “Highly Confidential” Conflict Checks

Certain situations (e.g., an unannounced merger or acquisition, certain investigations) may require that the details of the matter remain confidential. Conflict Checks on highly confidential engagements are permitted on a case-by-case basis. After submitting the matter, the finder should advise the Conflicts team that the normal process of sending out a Conflict Check should not be followed. The

¹. For examples of common scenarios, see Attachment A to this policy.

request will be reviewed by BRG's Legal department. If the request is approved, the Conflicts team will run a full Conflict Check and distribute the results only to those with a need to know.

The goal in processing these Conflict Checks is to identify possible conflicts while limiting the number of people knowing the identities of the parties. Therefore, these Conflict Checks will be prominently marked as **"Highly Confidential."** The finder, expert, or Case Manager should explain our process to the client or its attorney(s) and work with them to ensure they are comfortable with the conflicts process.

4. Aged Pending Conflict Checks

Conflict Checks may remain in the system as "pending" for 90 days. After 90 days, the Conflict Check must be re-run. If a Conflict Check that has passed the 90-day limit comes up as a hit, the Conflicts team will advise the finder that Legal will close the check unless extenuating circumstances exist such that it should remain pending.

5. Personal conflict issues

a. Directly owning stock or other financial interest in a client or adverse party

BRG has no interest in being involved in the investment decisions of any Managing Director, Director, Affiliate, or other employee. All BRG employees, however, should be aware that there are certain situations where, if the adverse attorneys learn of a particular holding in someone's portfolio, ownership of a particular security could lead to an awkward deposition or cross-examination. This is particularly true if the matter involves a violation of US Securities and Exchange Commission (SEC) disclosure rules. If you are assigned to work on a matter and you have a financial interest in either the client(s)' or adverse parties' organization that is significant in terms of your financial position, you must inform BRG Legal, the testifying expert, and the Case Manager. You should identify when the financial interest was acquired, and you should refrain from any significant changes in that position until the matter for which BRG has been engaged is resolved. If this imposes a hardship, contact Legal or the Case Manager. Positions you may have acquired through investments in diversified mutual funds are unlikely to pose any significant problems.

b. Family member or "significant other" works for client or adverse party

If a member of your family or your "significant other" works for a client or adverse party, BRG may avoid assigning you to the matter or institute an Ethical Wall to avoid the appearance of a conflict of interest or other impropriety. Every Managing Director, Director, and senior staff member must review the Conflict Checks as they arrive and inform Legal if a family member or significant other works for the proposed client(s) or adverse parties. If the engagement becomes active, the Case Manager must review possible conflicts and decide, in conjunction with the expert and Legal, what restrictions should be instituted, if any. BRG personnel learning at any time that they may be assigned to a matter where a family member or significant other works for the client(s) or adverse parties should immediately inform Legal or the Case Manager. The Case Manager, in conjunction with the expert and Legal, will then determine the extent of that person's involvement in the matter, if any, and inform the appropriate members of the case team. BRG personnel are not to disclose to the family member or "significant other" any information about the engagement, or even the fact that BRG has been engaged in the case, unless that information is publicly known.

c. New employee conflict issues

When an expert or staff member comes from another organization or government service to BRG and has worked for a client adverse to a BRG client on that or a related case, a number of potential conflict issues must be considered. Former government employees are generally restricted from having involvement on behalf of an interested party on any matter on which they worked while they were in government service. Both former government employees and new employees from other consulting firms should not be provided with access to information regarding BRG engagements related to their former employment. Moreover, these new employees should not discuss confidential information concerning their prior government or other consulting work with anyone at BRG, particularly those individuals working on the related engagements at BRG.

Once it has been determined that a new employee needs to be restricted from involvement in a particular matter, an Ethical Wall will be established. See the Ethical Wall Policy for additional information.

d. Other conflicts

If you have been assigned to an engagement for which you feel for any reason (religious, ethical, or other personal relationship) that you cannot participate, immediately notify the Case Manager. The Case Manager or lead consultant or expert, in conjunction with a member of the Legal team, will determine what steps, if any, will be taken.

6. Avoiding Disqualifications on New Engagements

Experts have been disqualified from accepting an engagement from a party because the expert made a pitch to, or was called by, the other party in the matter. Courts have held that when Client X provides confidential information to an expert during a pre-hire interview, even if that party does not engage the expert, Client Y may not subsequently engage the expert. In one case, a law firm was disqualified after engaging an expert who had been interviewed by the other party's counsel. Although the action is rare, an attorney may interview multiple potential experts with the express purpose of "contaminating" the most experienced experts with confidential information about the case so that the other party cannot engage them. Because of this risk, when making a proposal on an engagement to a Client X, it is important to clarify BRG's position regarding your ability to be engaged by Client Y on the matter if Client X does not engage you. To avoid misunderstandings and lost business opportunities, the following steps should be taken when you are pitching a matter and you do not want to be precluded from accepting work from other parties if you are not engaged by the first party.

1. Tell Client X or its attorney to whom you are proposing explicitly that if they do not engage you in the matter, you are not precluded from accepting an engagement from Client Y. Put this in writing. Legal can provide proposed language to send to your client.
2. Tell Client X or its attorney with whom you are interviewing not to provide you with any non-public, confidential information regarding the matter. Do not agree, either orally or in writing, to maintain the confidentiality of information provided to you during the proposal stage unless it is equally clear that if you are not engaged, you and BRG will be free to provide services to other parties in the case.
3. Do not discuss trial strategy or the potential client's legal theories prior to being engaged. While it is appropriate to discuss general approaches to problems, it is not appropriate to

- provide “preliminary” thoughts as to the type or scope of a claim until you have been engaged and have had an opportunity to do preliminary analysis.
4. If you make a presentation to Client X and you are not engaged, and if someone else in BRG is approached by another party in the matter, Client Y, BRG must immediately disclose to Client Y the meeting with Client X so that Client Y can determine if there is an issue regarding a possible disqualification.
 5. To the extent possible, the BRG employees who made the proposal Client X should not be involved in the work for Client Y that subsequently engages the BRG, and they should not discuss their Client X meeting with the BRG employees working on the case for Client Y. An Ethical Wall will be put in effect to isolate the employees who spoke to the first potential client.

If a prospective client does not want to agree to the notion that you can accept an engagement from another party if you are not engaged by the prospective client (step 1), or if you feel it would be inappropriate to raise the issue because of marketing considerations, you should carefully consider if you want to make the proposal and interview with the client. If you proceed, it is important to follow steps 2 through 5 to minimize the potential for disqualification of BRG and its other Managing Directors, Directors, or Affiliates if you are not engaged on the matter. If you have any questions on this type of situation, call Legal to discuss how you should proceed.

ATTACHMENT A

Potential Business Conflict Issues

- A. Case No.1:** Client X engages BRG in an action adverse to Party Y.
Case No.2: Party Y wants to engage BRG in an unrelated matter that does not involve Client X.

Legal Issues

This situation does not create the possibility of a legal conflict.

No one can seek to disqualify BRG in Case 2, because once Party Y has engaged BRG, it already should be aware of its engagement with Client X adverse to Party Y.

Practical Concerns

Client X should have no significant concern with this situation, since our retention by Party Y shows our independence (i.e., we are engaged by parties to whom we are or have been “adverse”).

The only concern Client X might have on a practical basis is whether BRG, engaged by Party Y in Case 2, will be independent of Party Y in Case 1. This is not a real issue given the nature of diverse engagements BRG accepts. Although Client X cannot require that we do not take Case 2, Client X can decide to terminate our engagement in Case 1.

Steps to Take

1. Contact Legal before advising Party Y (if Party Y is unaware of the situation) of our work for Client X.
2. Receive permission from Party Y to make a general disclosure to Client X of the nature of Case 2.
3. In most cases, we will advise Client X of the potential new engagement in Case 2 and resolve any concerns Client X may have.
4. A member of the Legal team must review any engagement letter *before* it is sent to Party Y.

- B. Case No 1: Client X engages us.**
Case No. 2: Client Y asks us to take an engagement “adverse” to Client X.

Legal Concerns:

This scenario creates the potential for a legal conflict. If the two engagements are related (e.g., they are in the same case), it is possible that confidential information was obtained in Case 1 that would not be available in Case 2, which could be used “adversely” to Client X. BRG may be precluded from accepting the engagement for Client Y.

If the cases are unrelated or there is no confidential information issue, then the issues involve business, not legal, concerns. Client X cannot require that we do not take Case 2, but could decide to terminate our engagement in Case 1.

Steps to Take if the Cases Are Related

1. Contact Legal before communicating any possible conflict with Client X or Client Y. Legal will provide specific instructions on what to communicate, such as:
 - a. Obtain from Client X authority to disclose to Client Y our engagement by Client X in Case 1.

- b. Advise Client Y of the fact that Client X engages us in another case and that we must clear conflicts. Client Y cannot be advised of the nature of Case 1.
 - c. If appropriate, we may attempt to obtain consent from Client X before we proceed in accepting the engagement from Client Y.
2. Legal must review any engagement letters before they are sent to Client Y.
3. If Client Y engages us, we may institute an Ethical Wall.

Steps to Be Taken if Cases are Unrelated

1. Contact Legal before communicating any possible conflict with Client X or Client Y.
2. Advise Client X after receiving permission from Client Y to make a general disclosure. Accordingly, we need to address the business issue of whether we want to possibly lose our work in Case 1 in order to proceed with the engagement in Case 2.
3. Legal must review any engagement letters before they are sent to Client Y.