



SECURITIES & VALUATION

Securities, Valuation, General
Damages, and Market Manipulation



Global Economics
G R O U P

independent and rigorous **economic** analysis

About the Firm

GlobalEcon's mission is to provide independent and rigorous economic analysis in complex legal, regulatory, and policy matters.

The firm brings together:

- world-class thought leaders;
- highly experienced testifying experts with experience before courts and regulatory bodies worldwide;
- former top government officials;
- former industry executives with deep practical experience; and
- a staff of econometricians, statisticians, survey experts, and financial analysts trained at leading universities.

The firm's experts have worked on some of the most significant legal and regulatory matters of the last quarter century and have worked for many leading corporations and government agencies.

GlobalEcon serves clients across the United States from our offices in Chicago, New York, Boston, San Francisco and Atlanta and worldwide through affiliates in China, Singapore, and the European Union.



involved in numerous major securities cases over last 15 years

GlobalEcon's Securities & Valuation Practice

GlobalEcon experts have been engaged in some of the most prominent and complex class action securities matters in the last two decades, including:

- Enron
- Tyco
- WorldCom
- Parmalat
- Refco
- Marsh & McLennan
- AIG

Our experts have been engaged by plaintiffs, defendants, and D&O insurers and have served as advisors to prominent mediators. Our work includes analyses in traditional Rule 10b-5, Section 11, and Section 14(a) matters, including class certification, loss causation, and damages issues.

GlobalEcon's experts have also served as testifying experts in tax matters, merger and acquisition disputes, valuation of minority interests in closely-held businesses, and general business valuation matters.

Our Securities and Valuation team has experience in all the major issues of the past few decades including options backdating, insider trading, market timing and manipulation, valuation and ratings of complex securities (e.g. MBS/CDOs), predatory lending, IPOs, and ERISA matters.

We apply the latest academic research and techniques in opining on market efficiency, materiality, loss causation and damages for class action securities matters. We also utilize standard and well-known economic and financial techniques for valuations in tax litigation, shareholder disputes, joint ventures, and general valuation work.



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areas of expertise for securities & valuation

Securities

GlobalEcon experts have been involved in nearly every major securities case over the past 15 years and have established a reputation for high-quality, reliable evaluations. We have provided consulting and testimonial services—including market efficiency analyses, class certifications, event studies, loss causation, and determination of damages—in a variety of securities-related contexts such as SEC Rule 10b-5, Section 11, and Section 14(a) matters. The team has also provided plans of allocation for securities-related settlements and determined damages in market timing, late-trading, and options backdating cases. GlobalEcon values its reputation for independence and our work has been relied upon by parties of all perspectives, including plaintiffs, defendants, D&O insurers and mediators.

Valuation

The GlobalEcon team includes experts who have extensive experience in the valuation of privately-held businesses in a variety of contexts, including arbitration of shareholder disputes, joint venture negotiations, estate planning, as well as in response to tax litigation. Our engagements have demanded careful consideration of a multitude of valuation concepts, including key person discounts, voting right premiums, blockage discounts, control premiums, and discounts for lack of control and lack of marketability. The GlobalEcon team has also provided valuation services related to complex financial products such as options, swaps, asset-backed securities, and collateralized debt obligations (CDOs). In addition to testifying in state and federal courts and the U.S. Tax Court, GlobalEcon experts have had active roles in resolving issues through settlement discussions and mediation efforts.

General Damages / Lost Profits / Economic Analyses

GlobalEcon experts have provided expert consulting services in an array of general litigation matters including breach of contract, business interruption, product liability, and broker raiding claims, among others. The diverse professional backgrounds of our expert consultants allow GlobalEcon to analyze and assess the economic impact in just about any context. In fact, members of our team have consulted in cases involving everything from sub-prime lending practices to statistical analyses in the context of absentee ballot litigation during the disputed U.S. presidential election of 2000.

Market Manipulation

Members of the GlobalEcon team include leading experts on manipulation in financial markets, particularly in the context of Industrial Organization—a field of economics that studies the structure and boundaries between firms and markets as well as strategic interactions between companies. We have written and worked on matters involving market manipulation as well as incentives encouraging exchanges to deter and prevent such activities. Specifically, GlobalEcon experts have served as testifying experts, consulting experts, and consultants to mediators in the context of manipulation claims in various markets, including derivatives markets for commodities and financial instruments.



deep experience in all aspects of securities litigation, valuation, and damages

Francis X. Burns has consulted on a range of valuation, intellectual property, and commercial litigation engagements. He is routinely called upon to provide business valuation services and consulting advice to individual and corporate taxpayers and government agencies, and he has testified frequently as a valuation expert. He has also evaluated economic damages issues in a number of commercial litigation contexts.

Chad Coffman has a national practice serving as a testifying and consulting expert in complex securities and valuation cases. He is frequently called on by mediators in complex matters to serve as an independent expert where he evaluates the economic analyses of all parties. He has also served as a consulting or testifying expert in a number of general valuation cases and performed valuation work outside the litigation context.

Steven J. Davis is a chaired professor at the business school at the University of Chicago in addition to working with GlobalEcon. He has testified and consulted on numerous matters related to mortgage lending, auto leasing and credit market discrimination. He also advises a leading financial institution on the

macroeconomic outlook, capital planning, and credit loss forecasting. Among his specialties is conducting econometric studies of very large complex databases.

Douglas J. Elliott is a Fellow at The Brookings Institution where he specializes in financial regulation in addition to working with GlobalEcon. For almost two decades, he worked as a senior executive at one of the largest multinational financial institutions. He then founded a think tank devoted to the analysis of federal lending and insurance activities. His work now focuses primarily on financial institutions and markets and their regulation.

David S. Evans is an economist with broad expertise in financial regulation including payments, securities, and consumer financial protection. In addition to testifying in court and regulatory proceedings, he has testified before several Congressional committees and worked with the House Finance Committee on some educational initiatives for its members during the financial crisis. He teaches at the University of Chicago part time and has published extensively on the economics of the financial services industry.

Peter Hickey has acted as a consultant and expert for several years in securities and commodities trading litigation and valuation disputes. He has broad experience in valuation and has testified on behalf of plaintiffs, defendants and regulators on valuation issues in litigation, including the valuation of closely held companies, merger and acquisition disputes, and breach of contract matters.

Roger Hickey has consulted on various matters involving valuation, intellectual property, corporate governance, international trade economics, strategy, and securities. He has been the chairman of the board of American Ecology Corporation (NASDAQ: ECOL), chaired the compensation committee and has served on numerous corporate boards. He has advised insurance companies on underwriting issues pertaining to D&O insurance and on settlements involving 10b-5 litigation. Prior to founding GlobalEcon, he was the founder of Chicago Partners LLC and served as its president for twelve years.

Jeremy Marmer specializes in engagements regarding securities fraud valuation, labor and discrimination, and financial regulation. He has served as an expert assisting companies in large class action labor discrimination cases as well as compliance with mutual fund regulatory matters.

Stephen Craig Pirrong is a leading academic expert on the industrial organization of financial markets and has special expertise in exchanges, derivatives, and market manipulation. In addition to working with Global Econ, he is a professor of finance and energy markets at the University of Houston where he also directs the Global Energy Management Institute.

Gabriel Ratliff has worked extensively on engagements involving the valuation of privately-held interests, particularly in the context of estate, gift, and income tax disputes, as well as patent and trademark infringement and securities fraud.

Joanna Shepherd-Bailey is a tenured professor at the Emory University School of Law and has served as a statistical expert on several legal cases. Her consulting experience includes expert reports and testimony in cases involving employment discrimination, damage computations, healthcare law, and competition policy.

She has also published broadly in law reviews, legal journals, and economics journals on various issues including tort law reform, employment law, corporate law, and judicial elections.

Suzanne Stuckwisch specializes in the assessment and quantification of economic impact in matters involving intellectual property infringement, labor and employment disputes, and complex commercial litigation. She has testified as an expert witness and served as a public arbitrator in a number of cases involving patent infringement, trade secret theft, employment litigation, fraud and securities matters.

John J. Szobocsan has directed and managed large and complex litigation consulting matters concentrating on matters in technology, intellectual property, securities, corporate finance and breach of contract. He has testified as an expert witness numerous times and is also an adjunct professor of corporate finance at the Illinois Institute of Technology.

Scott E. Walster has provided consulting services on a number of issues including securities fraud, valuation, labor discrimination, and regulation. He has developed quantitative models that measure damages in securities class action matters and investigate the causal relationship between events and security price movements.

John Wolken is a former senior economist at the Federal Reserve Board where he worked on various issues involving the financial services industry and its regulation. He is an authority on small business finance.

Todd Zywicki is the George Mason University Foundation Professor of Law at George Mason University School of Law and consults on various financial regulation matters. His areas of research include bankruptcy, contracts, secured transactions, mergers and acquisitions, corporate finance, and commercial law. He has also testified several times before Congress on issues of consumer bankruptcy law and consumer credit.



Global Economics
G R O U P

Global Economics Group, Inc.
globaleconomicsgroup.com

Chicago:

140 South Dearborn
Suite 400
Chicago, IL 60603
Phone: 312.533.4602
Fax: 312.264.0226

New York:

22 Cortlandt Street
Suite 1600
New York, NY 10007
Phone: 212.419.0487
Fax: 212.419.0410

Boston:

18 Tremont Street
Suite 220
Boston, MA 02108
Phone: 617.374.4700
Fax: 617.374.1339

San Francisco:

50 California Street
Suite 1500
San Francisco, CA 94111
Phone: 415.439.5294
Fax: 415.439.5291

Atlanta:

3525 Piedmont Road
7 Piedmont Center
Suite 300
Atlanta, GA 30305
Phone: 404.504.6278
Fax: 404.504.6276