

# Securities Industry Arbitration and Litigation

## Litigation Analysis

## Forensic Investigations

## Discovery and eDiscovery Services

When a financial services company is targeted in an industry investigation, arbitration or litigation, time is of the essence in responding accurately and effectively to government regulators, plaintiffs and SRO's. Navigant Consulting can deliver the knowledgeable, focused support that comes from years of participation and assistance in the financial markets. Whether the matter results in an investigation or in litigation or possible regulator sanctions, Navigant Consulting has the resources and expertise to assist clients in a timely manner.

We work with clients from the onset by assisting with:

- » Investigations, arbitration and litigation analysis including detailed studies of trading and investment activity to help explain sources of loss and variance from best practice
- » Discovery, analysis and pricing of portfolios including complex derivative and arbitrage positions for damage analysis
- » Benchmarking of industry best practices to evaluate against current operational activities

### Industry Experience and Knowledge

#### Litigation Analysis

Our team consists of individuals with deep experience in: brokerage, trading, operations, risk management, economics, financial analysis, compliance and operations. In addition we have relationships with leading academics in finance and economics from a number of prestigious institutions. Together, we provide counsel and expert testimony, if required, in:

- » Evaluating "best execution" of transactions to determine whether clients are receiving optimal prices on their trades

- » Analyzing insider trading with regards to stock price volatility and public dissemination of information
- » Reviewing and calculating commission rates to determine whether brokers are taking excessive profits
- » Reviewing "soft dollar" relationships to determine the fair value of services received
- » Investigating trading patterns to identify improper trading activity such as "front running" or "bucketing" and to reveal rogue trading activity
- » Quantifying damages to the company or its shareholders
- » Answering inquiries from industry and government regulators
- » Assisting SRO's in investigations of improper and illegal trading or market making activities
- » Preparing expert reports for client counsel and serving as expert witnesses to assist in arbitration and litigation

In evaluating and quantifying possible impacts, Navigant Consulting can transform massive amounts of raw data into clear and concise analysis and reports. Backed by our own Ph.D. economists, mathematicians, and CPA's as well as external academic contacts, Navigant Consulting can provide answers to the most complex questions.

#### Forensic Investigations

Navigant Consulting delivers in-depth forensic investigations to uncover facts related to allegations of fraudulent financial statement reporting, accounting irregularities and restatements. Whether the company requires a review of the application of accounting principles by seasoned accountants, analysis of accounting documents, investigation of questioned transactions or detailed analysis supporting a restatement, Navigant Consulting has the resources and expertise the situation demands. We deliver

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Navigant Consulting, Inc. (NYSE: NCI) is an international consulting firm combining deep industry expertise and integrated solutions to assist companies and their legal counsel in enhancing stakeholder value, improving operations, and addressing the challenges of uncertainty, risk and significant business model change. Professional services include dispute, investigative, operational and business advisory, risk management and regulatory advisory, and transaction advisory solutions. The Company focuses on industries undergoing substantial regulatory or structural change, including financial services, insurance, healthcare and energy. Navigant Consulting has offices in over 40 cities in North America, Europe and Asia.

depth in virtually all areas of financial accounting and reporting under GAAP and International Accounting Standards, and broad experience in auditing matters governed by GAAS. Our team includes former senior audit partners and practice directors from public accounting firms and former high-level SEC officers.

Our work relating to financial reporting and internal controls issues often includes:

- » Analyzing business transactions, GAAP interpretation of the transactions and accounting and reporting requirements.
- » Analyzing auditor decisions and assessing compliance with GAAS.
- » Fact gathering and analysis.
- » Determining which facts management was aware of and when management became aware of those facts.
- » Analyzing the company's internal control structure.

### Discovery and eDiscovery Services

Investigations and litigation create an urgent need to extract information from business records in order to identify and collect the complete set of relevant facts. Navigant Consulting's discovery management services helps legal teams quickly respond to numerous interrogatories and document requests by combining project management, workflow management and technology expertise. We enable clients to screen, produce and manage large volumes of documents and electronic information within stringent time frames – all with an eye to minimizing document populations and the associated workload, therefore significantly reducing costs.

We provide the following services to clients in securities and related matters:

- » Identifying the custodians and locations of potentially relevant documents and electronic data;
- » Developing plans and procedures for preservation of data and performing audits to test preservation;
- » Performing computer forensics in conformance with best practice standards;
- » Reviewing existing workflows, procedures and vendor selections and making recommendations to streamline and improve process performance;
- » Performing data staging and culling (pre-conversion, de-duplication and search filtering) to limit the amount of data converted in a supportable, clearly documented matter;
- » Coordinating document imaging, coding and conversion vendors and their operations;
- » Merging information from a number of sources and in a variety of formats into a single, coherent, automated system for managing document review and production;
- » Managing relevancy and privilege reviews, coordinating the creation of privilege logs and managing the logistics associated with document productions, whether to governmental agencies or opposing civil litigations;
- » Assisting in fact-finding, issue development, creating deposition packages and other discovery efforts;
- » Managing centralized document repositories, including web-based repositories;
- » Assisting counsel in drafting pleadings or reviewing electronic document collections;
- » Performing quality control and statistical testing; and,
- » Providing expert testimony on electronic discovery issues.



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