



**VEGA
ECONOMICS**
Securities Fraud Case Experience

VEGA ECONOMICS TEAM

The Vega Economics team has provided expert testimony, analytics, data management, and case support for cases with claims ranging up to \$30bn. These engagements including some of the most high-profile matters of the past decade.

Vega Economics is well versed in economic modeling, statistical sampling, and data analysis. Experts on our team and in our network have extensive experience implementing empirical analysis and data analytics to approach economic and financial issues. Our experience with advanced statistical techniques can be applied in both litigation and non-litigation contexts. Our team regularly works with big data, and has the computing resources necessary to maintain, manage, update, and analyze datasets used in expert testimony and consulting.

The largest law firms and corporations in the country have retained Vega Economics to analyze issues related to class certification, merits, causation, materiality, damages, and market efficiency.

Some recent examples of matters in which Vega has supported experts follow.



POST-MORTGAGE CRISIS SECURITIES FRAUD CASES

In the past five years, the Vega team has supported experts in over 30 securities fraud cases where plaintiffs alleged defendants violated Section 11 and 12(a)(2) of the Securities Exchange Act and relevant state securities acts. Plaintiffs in these cases alleged that material facts about the characteristics of loans underlying RMBS securities were allegedly misstated in or omitted from the offering documents.

The Vega team supported experts regarding materiality and loss causation.

SECURITIES FRAUD CASE BROUGHT BY INSTITUTIONAL INVESTORS

The Vega team supported an expert in a securities class action brought by institutional investors. The lead plaintiffs brought claims under 10(b) of Securities Exchange Act regarding material misrepresentations in connection with the purchase or sale of securities. In addition, the lead plaintiffs also brought claims under Section 20(a) against certain controlling persons.

The Vega expert was retained to offer opinion as an expert in financial economics, financial institutions, and risk management as well as to respond to aspects of the expert reports submitted by the opposition. This expert utilized the Vega team to assist in analysis of information regarding four CDOs and determine whether defendant's alleged activities were consistent with hedging and market making activities.

REGULATORY DUTIES OF FINANCIAL INSTITUTIONS AND OFFICERS/DIRECTORS

The Vega team supported an expert in an action against a financial institution and certain of its officers and directors in which the parties served as co-lenders for a loan facility. Plaintiffs alleged that defendant intentionally concealed the fact that financial statements were fraudulent.

The expert in this matter provided an opinion regarding regulatory duties and the degree to which independent diligence was required.

EVENT STUDY IN FRAUD INVESTIGATION

The Vega team performed an empirical analysis of the impact of an event on stock market returns using an event study approach. The Vega Economics team was retained to perform this analysis during an international investigation.



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