

**JOSEPH POPE, CPA, CFF
PRINCIPAL**

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EDUCATION:

M.B.A, Finance and Economics
University of Chicago Booth School of Business

B.S., Finance
University of Illinois at Urbana-Champaign

DESIGNATIONS:

Certified Public Accountant (CPA)
Certified in Financial Forensics (CFF)

PROFESSIONAL MEMBERSHIPS:

American Institute of Certified Public Accountants
Illinois CPA Society
Treasurer and Finance Chair of Wellness House Board of Directors
Board Member of Wellness House Foundation
Finance Committee of the Chicago Bar Foundation Board of Directors

EXPERIENCE:

Joseph Pope is a Principal for Global Economics Group. Mr. Pope has more than 25 years of forensic accounting, independent investigation and consulting experience.

Mr. Pope has extensive experience in analyzing economic damages, lost profits, financial reporting issues, regulatory compliance, contract disputes, post-acquisition disputes, shareholder disputes, enterprise valuations and commercial fraud. He has consulted clients in a wide range of industries including financial services, insurance, higher education, healthcare, digital currency and blockchain, telecommunications and public utilities.

Prior to joining GlobalEcon, Mr. Pope was a Managing Director at Stout where he consulted lawyers and their clients involved in complex business disputes and forensic investigations. Prior to Stout, he was a Founder and Managing Director at Huron Consulting Group.

Mr. Pope is a member of the American Institute of Certified Public Accountants, the Illinois CPA Society, and is Treasurer and Finance Chair on the Board of Wellness House, a Board Member of Wellness House Foundation, and a member of the Finance Committee of the Chicago Bar Foundation Board of Directors.

FORENSIC INVESTIGATIONS

Engaged by investigative counsel on behalf of a select committee of the Board of Directors as part of an independent investigation of financial reporting and other accounting matters at one of the world's largest financial services companies. Analyzed the earnings impact of the company's application of GAAP accounting standards and certain other critical accounting decisions and adjustments in connection with allegations of earnings management and manipulation of incentive compensation. Led a team responsible for data gathering, data review and analysis of these topics including the analysis and modeling of pools of mortgages and mortgage-backed securities as well as the systems which computed the accounting entries and related adjustments for these assets. Jointly with counsel, conducted more than 50 interviews of company personnel including officers and senior management. Participated in regular status briefings administered to the agencies and regulators monitoring our investigation including the DOJ, SEC, OFHEO, and PCAOB. Ultimately, teamed with counsel in drafting the predominant sections of our report of findings, which was publically issued with the accompanying executive summary.

Consulted and provided forensic accounting support to investigative counsel as part of an independent investigation of a public utility company. The investigation was focused on a list of allegations contained in a series of anonymous letters sent to the company's officers and directors, the Illinois Commerce Commission and Illinois Attorney General. Led a team of forensic accountants and digital evidence technicians who collected and analyzed regulatory, operational, safety, billing and accounting data as related to the allegations, as well as provided a database infrastructure for the entire investigation team to review and analyze electronic evidence. Led or participated in more than 90 interviews including company officers, senior management, and other managers and personnel from numerous operations and administrative areas. Presented preliminary findings and status updates at regular meetings of the special committee of the Board of Directors. Along with counsel, drafted and issued final report of findings and corresponding presentation materials.

Engaged by outside counsel on behalf of a for-profit higher education institution to forensically extract, collect, convert and analyze graduate employment data for the period of 1975 through 2013 in connection with an FTC inquiry, investigation and subsequent litigation. Led a team which analyzed historical graduate data on a student-by-student basis (from a variety of hardcopy and data platforms) and forensically reconstructed and substantiated the institution's computation of graduate employment statistics. Our team also supported a PhD economist and his team through the utilization of our master student database and related analyses. We were additionally engaged by outside counsel in connection with the Department of Education's Notice of Intent to Limit and the subsequent Limitation Action. Analyzed and assessed the information and source data that served as the basis for the institution's marketing representations. Issued an expert affidavit opining on the various forms of graduate employment data maintained by its Career Services organization, which led to a favorable settlement for the client.

Engaged by investigative counsel of a live entertainment production company to investigate whistleblower allegations and alleged Foreign Corrupt Practices Act (FCPA) violations. Work included the review and analysis of the Company's domestic and foreign banking and accounting records. Participated in numerous interviews of Company personnel, contractors and foreign officials, which were led by the investigators. We reviewed voluminous iterations of project budgets and transactional data and analyzed the project's overall net cash flows. In addition, we reviewed e-mails, recovered text messages and other related documents to understand the internal discussions surrounding certain cash disbursements and events.

Provided forensic accounting support to investigative counsel as part of an independent investigation of a multinational information technology consulting and outsourcing company. The investigation concerned more than \$80 million of fraudulent financial misstatements and omissions in connection with the business information outsourcing sector within a particular European country. Reviewed and analyzed contemporaneous and partially offsetting adjustments identified by the company's management and its auditors. Drafted white paper memorandum summarizing the results of our forensic analyses and the appropriate accounting treatment for each of approximately 25 offsetting accounting entries. The results were presented to the audit committee of the board of directors in connection with the company's response to the SEC and the decision to restate its financial statements from prior years.

COMPLEX BUSINESS DISPUTES

Engaged as an expert forensic consultant by defense counsel for an SEC registered securities broker-dealer accused of violating certain securities trading practices over a five-year period. As a designated exchange specialist, the defendant made a market in multiple equity options classes. The plaintiffs were public retail options traders who placed electronic orders with the defendant during the relevant period. The plaintiffs alleged that the defendant did not fulfill its duty of “best execution” as broker-dealer, by not executing orders promptly and executing proprietary trades for the specialists’ own accounts ahead or instead of the plaintiffs’ orders, in addition to handling orders in violation of the SEC diligence and priority rules. Work included the data collection, management and analysis of over 200 terabytes of data provided by two securities exchanges, the Options Price Reporting Authority (OPRA) and the plaintiff’s proprietary systems. Our team converted billions of records containing quote, order and trade information into a normalized and reviewable structured set of databases. Comparative analytics, sampling and customized queries were further performed to identify specific examples and prepare models from the data in order to identify dispositive explanations for the defendant’s administration of the options securities orders.

Engaged as an expert consultant by counsel on behalf of a digital currency and exchange company operating in the FinTech industry. The company participated in a series of three initial currency offerings (ICOs) and subsequent secondary market transactions in which transactions settlement and clearing were conducted through the use of distributed ledger or blockchain technology. Supported counsel and the company in identifying U.S. wallet holders of the unlicensed and unregistered ICO offerings. Provided transactional data analysis of wallets and quantified losses. Worked with counsel in drafting presentation for the SEC concerning regulatory issues.

Engaged as an expert witness by defense counsel on behalf of its clients, a public school board and school district, in connection with putative class action dispute. The plaintiffs alleged that the defendants collectively breached a contract in connection with certain retirement benefits which were discontinued during a period of financial and budgetary crises. The plaintiffs attempted to certify a plaintiff class of allegedly damaged current and former employees of the school district. Performed a forensic investigation and analysis of the source data and methodology utilized by the plaintiffs’ expert witness regarding the allegedly eligible class members. An expert report was issued and testimony was provided during an expert deposition in connection with this case.

Engaged as an expert witness in an arbitration dispute by claimant’s counsel on behalf of a state management association. The management association provided workers’ compensation insurance coverage to counties, municipalities and other units of local government on a pooled risk basis. The dispute involved allegations of breach of contract against a health insurance organization that provided medical claims negotiation and re-pricing services to the management association’s members. Analyzed the management association’s medical claims compared to the health insurance organization’s contractual terms and a state statutory workers’ compensation fee schedule during a three-year period. Quantified damages for foregone discounts, overpayment of fees and other significant fee errors. Testified in deposition and in arbitration hearing.

Engaged as an expert witness by defendant’s counsel in a breach of contract dispute on behalf of a packaged fresh salad producer and distributor. Issued a direct report related to analyses of the quantity of laminated film packaging purchased by the company from its vendors, including the plaintiff. Also issued a rebuttal report of the plaintiff’s damages expert. Testified in deposition.

Served as the consulting expert on a dispute connected to the bankruptcy liquidation of a computer and technology leasing company. The dispute involved more than \$100 million in alleged unpaid incentive compensation earned by the former managing directors of the company’s venture leasing unit. Led a team of consultants through the forensic construction of investment-level profit and loss statements for four venture capital funds over an eight-year period. Previously, no profit and loss statements were available at either the investment or fund level. These investment level statements were then used to analyze the profit and loss associated with each fund and the corresponding compensation allegedly owed to the former managing directors under various incentive compensation agreements. Presented findings and addressed inquiries at a mediation hearing.

Engaged by counsel as the consulting expert for one of the largest national commercial insurance providers in connection with multi-party industry-wide workers' compensation insurance dispute. The dispute involved allegations of purposeful and systemic underreporting of workers' compensation premiums to the National Council of Compensation Insurance, Inc. and the National Workers Compensation Reinsurance Pool based upon the industry's statutory reporting requirements. Led a consulting team that collected, managed and analyzed voluminous transaction-level premium and claims data for a 13-year period. Forensically constructed accounting records and consolidated electronic data and hard-copy documentation for a variety of superseded systems and archived data sources dating back more than 25 years. Advised counsel on the court mandated proposals for a customer account pilot sample and expanded sampling procedures. Quantified alleged damages and rebutted the damage analysis of counter-party in connection with randomly selected customer accounts comprising the pilot sample. Analyzed settlement offers from counter-party and assisted counsel in strategically evaluating the merits of the settlement offers.

Engaged as expert witness by plaintiffs' counsel related to a dispute with a large mutual life insurance company. Quantified damages associated with a series of whole life insurance policies in which the policy dividends were allegedly misused to purchase paid-up additional life insurance rather than applied against outstanding premiums. Issued expert report.

Engaged by counsel for the sellers of a commercial real estate services corporation in a post-acquisition dispute in connection with the earn-out provision of the stock purchase agreement. Analyzed the financial statement for the period immediately subsequent to the sales transaction for consistency with prior periods and consistency with generally accepted accounting principles (GAAP). Issued an expert affidavit of findings associated with the analyses.

Engaged by counsel on behalf of a printing ink manufacturer, the defendant, in a complaint brought under the qui tam provision of the False Claims Act. The qui tam relator relied upon publically available shipping and important data to allege that the company misclassified imported goods and underpaid tariff duties and other customs obligations. Reviewed and analyzed voluminous import and invoice data records for a 16-year period to categorize imported goods into product categories which were ultimately reconciled with categories from the Harmonized Tariff Schedule of the United States (HTS). The analysis was relied upon to discredit the relator's view of tariff declarations and alleged undervaluation of imported products.

Engaged by counsel for a national wireless telecommunications carrier in connection with a breach of contract dispute with an authorized dealer. Analyzed and critiqued damages and causation claims related to lost residual payments and equipment sales as put forth by the plaintiff and opposing expert witness. Quantified damages related to a counter-claim in connection with the dealer's sale of competitor wireless services in breach of the non-compete clause of the authorized agency agreement.

Assisted counsel for a national wireless telecommunications carrier in a breach of contract dispute with one of its wireless service resellers. Reviewed and reconciled the business and accounting records including the reseller agreement, customer invoices, accounts receivable aging reports, and credit memoranda. Analyzed and forensically validated the outstanding receivable owed by the wireless reseller for services provided under the reseller agreement. Critically assessed the methodology used and the adjustments to the receivable balance proposed by the opposing team of experts.

Assisted a Japanese chemical company in recovering capital invested in "currency-hedged" notes in which the realized losses were fraudulently concealed from investors with false account statements and commingled funds as part of a Ponzi scheme. Performed a funds tracing using the broker statements, bank statements and wire transfer confirmations. Analyzed the net capital outstanding on a series of guaranteed and variable rate notes purchased by the company.

Assisted counsel in defending a large international commodity trading company in a class action matter against allegations that the company manipulated prices of commodity futures traded at the Chicago Board of Trade (CBOT). Analyzed the securities and commodity trading records and created relational databases comprised on tens of thousands of futures, options, forwards and commodity transactions. Utilizing the databases, reconstructed trades and analyzed the company's securities positions relative to physical delivery, import, export and internal company demand of the commodity.

Engaged by counsel of a commodities futures trading merchant to quantify economic damages arising from the fraudulent trading activity of a rogue broker. Analyzed trading records and discovered patterns of fraudulent and prearranged trading

in commodities futures and government securities. Also analyzed consecutive repurchase transactions (or “repo rolls”) used to disguise the actual portfolio positions. Forensically reconstructed customer accounts to remove fraudulent trades and discovered certain trades were used to place cash in select accounts while concealing the broker’s realized losses.

Performed forensic accounting analysis to uncover a rogue trader’s methodology for fraudulently manipulating trading accounts of an options clearing broker in connection with a Chicago Board Options Exchange (CBOE) arbitration matter. The trader circumvented controls and issued false account statements to his investors based on his commingling of assets between his own accounts and those of his investors. Analyzed five years of options and equity securities trading documents and data, back-office accounting records of the clearing broker, as well as the trader’s alleged hedged risk and trading strategies. Reconstructed the profit and loss statements for the trader’s nine sub-accounts and his consolidated account net of the fraudulent manipulation.

Analyzed multiple investor claims on behalf of the Securities Investor Protection Corporation (SIPC) in connection with allegations of unauthorized trading and commingled accounts by a rogue trader. The trader created false account statements and disguised realized losses by commingling client accounts through the use of trade cancellations and corrections, and account transfers. Quantified damages and forensically reconstructed securities portfolios and cash positions for numerous investors with multiple accounts in connection with the fraudulent activity.

Assisted counsel in defending the tax department of a large international law firm against a professional liability complaint alleging damages in connection with claims of unauthorized trading and account “churning.” Quantified alleged damages through forensically reconstructed account valuations based on various theories of unauthorized trading.

Assisted a grain company in contesting the outcome of an IRS audit involving the tax treatment of futures and options hedging losses. Reviewed IRS work papers and the company’s commodity, options and futures trading records. Developed database model to match futures and options trades with specific commodity trades and positions.

Assisted a manufacturer of livestock feed supplements in analyzing damages suffered as a result of previously undisclosed commodity risk as part of a post-acquisition dispute. The allegedly undisclosed risk related to multiple contracts to purchase infant livestock over numerous years. The analysis of damages included components for both damages suffered in the past and estimated future damages through the expiration of the contracts.

Assisted counsel with a post-acquisition dispute related to the transfer of a cross-license agreement for medical device intellectual property. Analyzed the various sales of voting stock and assets, along with the carve-out of assets associated with a particular product liability matter, for a multi-national corporation. Evaluated the sales and closing adjustments relative to the terms of license agreement.

Assisted a public accounting firm in an international arbitration regarding the separation from its consulting unit. Analyzed the income models utilized by both the accounting and consulting organizations and modeled the historic and pro forma earnings transfers required by contractual agreement.

Performed analysis of alleged damages suffered by a credit union in connection with its investment in mortgage derivatives. Modeled portfolio performance under a variety of investment, interest rate and macroeconomic assumptions.

Modeled real estate investment fund participants’ net asset values under various redemption scenarios on behalf of a large financial services institution.

Analyzed and quantified lost earnings allegedly suffered by a New York Mercantile Exchange (NYMEX) floor trader on behalf of counsel for an insurance company.

Assisted counsel for a large financial services institution in a breach of contract dispute with a mortgage service company. Performed a market analysis of the U.S. mortgage industry and analyzed the various marketing and solicitation programs proposed by the company. Analyzed and quantified alleged damages based on the financial performance of the mortgage service company and its products.

Provided pro-bono testimony regarding the damages of a claimant pursuing compensation from the September 11th Victim Compensation Fund. Analyzed and quantified the economic loss to a brokerage firm employee as a result of injuries suffered while fleeing the World Trade Center on September 11, 2001.

HEALTHCARE AND HIGHER EDUCATION

Engaged by outside counsel as an expert consultant on behalf of a holding company of two for-profit higher education institutions. The holding company was the proposed seller of the two institutions involved in an acquisition dispute with the proposed buyer, a private equity fund. The dispute centered around a series of Net Asset Valuation (NAV) statements, both historical and projected, prepared by the seller and subsequently disputed by the buyer, as part of the Asset Purchase Agreement. We supported counsel and management in preparing various statements of position and of rebuttal regarding GAAP accounting consistently applied in the ordinary course of business for the consideration of the independent third-party public accounting arbitrator.

Served as the consulting expert to a large private research university and its affiliated school of medicine in connection with a dispute related to the separation of tenured faculty members. Analyzed the university's situation assessment, endowment assets and the statements of financial position related to the institution's declaration of a state of financial exigency in the aftermath of Hurricane Katrina. Performed a solvency analysis which incorporated the university's highest and best use of its diminished assets and cash flow.

Partnered with the internal audit director at a prestigious academic medical center and private university in reviewing the effort reporting process within the university's Sponsored Research Administration department. Reviewed the university's current documented policies, procedures and training materials related to effort reporting. Interviewed principal investigators and research administration staff from a representative sample of departments to assess knowledge and compliance between actual practices, documented policies and ultimately federal regulations. Also performed walk-through procedures of the interaction between the enterprise resource planning (ERP), labor distribution, and effort reporting and certification systems to evaluate the consistency between levels of effort proposed, charged and worked and the proper accounting for institutional base salary (IBS) and the NIH salary cap.

Conducted detailed analyses and interviews and presented a comprehensive "menu" of recommendations related to the research enterprise and research investment strategies at a large private university. Recommendations were focused on enhancing the resources available for investment in the university's research enterprise and better deploying resources to facilitate the strategic research objectives as consistent with the overall university plan. Teamed and vetted draft recommendations with the client team comprised of the CFO and the three mission vice presidents: VP for Research and Economic Development, Provost and VP for Academic Affairs, and VP for Public Service and Agriculture.

Teamed with a law firm client to create a training session on higher education investigations and audit findings. The training employed anonymous case studies based on prominent client engagements to provide realistic examples of investigations within the higher education industry. The training also detailed the False Claims Act and its "qui tam" provision.