

## LAURENCE FREED

Principal

New York, NY

+1.212.789.3696

Laurence.Freed@brattle.com

**Mr. Laurence Freed** is a consultant and testifying expert with experience in finance, technology, and media. With a specialization in evaluating issues related to financial distress and leverage, he has worked on behalf of banks, investment management firms, private equity firms, hedge funds, private investors, and government prosecutors and regulators.

Mr. Freed's clients and colleagues rely upon him for his ability to communicate complex finance and technology industry dynamics. He has consulted and testified on a number of finance-related subjects, including equity derivatives, mortgage-backed securities, collateralized debt obligations (CDOs), and structured products; exchange-traded funds (ETFs), mutual funds, and institutional portfolio management; credit risk analysis and derivatives modeling; corporate and securities valuation; performance attribution; securities lending; forensic loss; business operations and process controls in financial institutions; and financial technology and infrastructure management. In technology, particularly fintech, he has consulted on middle- and back-office trading infrastructure, software development best practices, and fund trading models.

During his professional career, Mr. Freed has been a derivatives trader and salesperson for a major broker-dealer. He has been a credit ratings analyst, responsible for the ratings and ratings methodologies of emerging market CDOs, balance sheet CLOs, corporate CLOs, structured finance CDOs, and other structured credit products. He has served as head of operations and IT for a \$2 billion, 40-person structured finance hedge fund platform, where he managed a team of 20 software engineers, financial market quants, and other technical specialists. He has managed the development of a commercial software platform for CDO & CLO valuation and surveillance, and developed intra-day risk management software for an equity derivatives trading desk. He has also evaluated and consulted on the operations CDO and CMBS fund managers.

In addition, Mr. Freed has experience in media finance, having managed the financial operations of a film finance company, negotiated film slate financings, and consulted on the operating models of film distribution companies, international sales agents, and commercial and TV production companies.

## EDUCATION

### Columbia University

Select graduate classes in mathematical finance, probability, and stochastic methods, 1998-1999

MA in International Affairs, specialty in international finance, economics, and political economy, 1994

### Rutgers University

BA in History with Honors, minor in Computer Science, 1990

## TESTIMONY

### Federal & State

*CWCapital Cobalt VR LTD., v. CWCapital Investments LLC and CWCapital Asset Management LLC*, Supreme Court of the State of New York County, New York, (expert report & rebuttal report, 2023).

*Monterey Bay Military Housing, LLC, et. al. v. Ambac Assurance Corporation, et al.*, United States District Court, Southern District of New York, (deposition testimony, 2023).

*Wells Fargo Bank, NA, as Trustee v. Margate Funding I, LTD. et al.*, United States District Court, Southern District of New York, (deposition testimony, 2022).

*Tacho Sandoval and OMOG Trading, LLC v. Two Rivers Entities, LLC. et. al*, Supreme Court of the State of New York County, New York, (deposition testimony, 2022).

*Red Wolf Energy Trading, LLC, v. BIA Capital Management, LLC, et al.*, United States District Court, Massachusetts, (expert report, 2021).

*United States of America v. Rhodes*, United States District Court, Southern District of New York, (trial testimony, 2021).

*Hudson ES LLC v. Deutsche Bank National Trust Company, et. al.*, Supreme Court of the State of New York, County of New York (expert report & rebuttal report, 2019).

*United States of America v. Anilesh Ahuja et al.*, United States District Court, Southern District of New York, (trial testimony, 2019).

*U.S. Bank National Association v. Triaxx Asset Management LLC et al.*, United States District Court, Southern District of New York, (deposition testimony, 2018; trial testimony, 2018).

*Securian Financial Group, Inc., Securian Holding Company, and Minnesota Life Insurance Company, v. Wells Fargo Bank, N.A.*, United States District Court, District of Minnesota, (deposition testimony, 2014).

*City of St. Petersburg, Florida v. Wells Fargo Bank, N.A.*, United States District Court, Middle District Of Florida, Tampa Division, (deposition testimony, 2011; trial testimony, 2012).

*COPIC Insurance Company v. Wells Fargo Bank, N.A.*, United States District Court, District Of Colorado, (deposition testimony, 2011).

*Lehman Brothers Australia Limited (in Liq) ats Wingecarribee Shire Council and Others*, Federal Court of Australia Proceedings NO. 2492 of 2007, (expert report, 2011).

### **Arbitration**

Expert report and deposition testimony in a commercial arbitration concerning the valuation and damages attributable to a breach of contract allegation related to a military procurement joint venture, 2023.

Presentation of expert analysis in a Financial Industry Regulatory Authority (FINRA) arbitration concerning whether certain interdealer brokerage quotes for equity options reasonably reflected the then-current market conditions, 2019.

Presentation of expert analysis in a FINRA arbitration concerning the structure and performance of volatility index (VIX) ETFs and VIX futures over several holding periods, 2017.

### **EXPERT ENGAGEMENTS**

#### **Securities & Financial Institutions**

Managed economic analysis of liability and damages for over a dozen plaintiffs due to the 2020 collapse of the Allianz Structured Alpha options strategy funds, 2021-2022.

Managed economic analysis of damages for a group of senior lenders who were harmed by a priming loan placement, 2021.

Managed economic analysis and supported a mortgage servicing industry expert in more than a dozen RMBS Trustee litigation cases, 2018-2021.

Managed economic analysis and supported mutual fund industry expert in three mutual fund excess fee disputes, 2017, 2018, & 2020.

Retained in US Securities and Exchange Commission investigations to analyze the electronic communication of dealers in residential mortgage-backed securities (RMBS) and commercial mortgage-backed securities (CMBS), 2019.

Retained to analyze the equity and equity option trades of a failed long-short hedge fund and evaluate the performance of the fund's risk management function, 2019.

Authored reports to explain the differential in principal cash flows that accrue to certain certificate tranches issued by a distressed RMBS trust, 2019.

Analysis of municipal finance economics during the period 2011-2014, as part of a commercial dispute over a failed new product launch, 2017.

Retained to consult regarding a dispute over an insurance-wrapped CDO and associated credit default swaps, 2011.

Retained to analyze a private equity sponsor's efforts to obtain a public rating for a market value CDO, 2008.

Retained to analyze the changes during the Credit Crisis to Moody's rating methodology for second lien mortgage securitizations, 2008.

### **Commercial Disputes & Damages**

Managed analysis of commercial damages in a trade secrets dispute between two banking institutions over the value of certain banking deposits, 2022-2023.

Managed analysis of commercial damages in a breach of contract dispute involving the valuation of a software service platform and associated banking deposits, 2020-2022.

Managed economic analysis and supported industry expert in a breach of contract dispute involving the valuation of a steel pricing contract, 2019-2020.

Analysis of commercial damages for a dispute involving a breach of a pharmaceutical patent licensing agreement, 2019.

Analysis of commercial damages for a dispute involving misappropriation of intellectual property relating to pharmaceutical drug development, 2017.

Valuation of a privately held company that was sold in a leveraged buyout and alleged to have been engaged in accounting fraud, 2017.

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Analysis of commercial damages for an intellectual property licensing dispute in the branded jewelry business, 2016.

### Other Casework

Managed economic analysis and supported industry experts in a case involving the pricing and distribution of opioid pharmaceuticals, 2018.

Managed economic analysis in proceedings to determine the royalty rate for music works paid by interactive streaming music services. *Determination of Rates and Terms for Making and Distributing Phonorecords (Phonorecords III)*, Copyright Royalty Board, Library of Congress, 2016-2017.

## PROFESSIONAL EXPERIENCE

### The Brattle Group (2017-Present)

Principal

### L.T. Partners, Inc. (2007-2016)

President

### Worldview Entertainment (2009-2012)

CFO and Chief Investment Officer

### The Bear Stearns Companies (2004-2007)

Managing Director, Structured Credit Group, BSAM

### Moody's Investors Service (1998-2004)

Vice President/Sr. Credit Officer, Structured Finance Group

### The Bear Stearns Companies (1994-1997)

Product Specialist, Derivatives Department, Bear, Stearns & Co.

## PRIOR SECURITIES INDUSTRY ACCREDITATION

US General Securities Representative Qualification Examination (Series 7), General Securities Representative

US Uniform Securities Agent State Law Examination (Series 63), Uniform Securities Agent

## PUBLICATIONS

*Business Law Today*, "Trade Secret Valuation in IP Disputes: Economics of Negative Information," with Animesh Giri and Jacob Pastor, August 10, 2023, <https://businesslawtoday.org/2023/08/trade-secret-valuation-in-ip-disputes-economics-of-negative-information/>.

*Law360*, "New Ways to Approach Negotiating TV License Fees," with Steven Herscovici and Christine Polek, October 16, 2019, <https://www.law360.com/articles/1208972/new-ways-to-approach-negotiating-tv-license-fees>.

*Journal of Fixed Income*, "Correlated Default Risk," with Sanjiv R. Das, Gary Geng, and Nikunj Kapadia, Vol. 14, No. 1, Fall 2006.

*Moody's Investors Service*, "Updating the Moody's Diversity Method for Emerging Market Portfolios," with Deboleena Dutta, April 12, 2004.

*Moody's Investors Service*, "Using the Structured Note Methodology to Rate CDO Combo-Notes," February 26, 2004.

*Moody's Investors Service*, "Securities Lending for CDO Transactions: A Supplement," with Jack Chen, May 30, 2002.