

# Alison Forman

## PRINCIPAL

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Chicago

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Ms. Forman is a Certified Public Accountant (CPA) with over two decades of experience consulting on complex commercial litigation and regulatory enforcement matters. She specializes in accounting, financial reporting, and auditing matters.

Ms. Forman has experience working in all phases of litigation, including mediation and trial. She has consulted on enforcement matters brought by the US Securities and Exchange Commission (SEC), the Public Company Accounting Oversight Board (PCAOB), and state boards of accountancy. Her work has spanned numerous industries, including financial institutions, oil and gas, real estate, healthcare, retail, automotive, solar, high-tech, and construction.

In financial accounting and reporting matters, Ms. Forman has evaluated Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) to asset impairments, contingent liabilities, revenue recognition, business combinations, and uncertain tax positions. Her expertise includes evaluations of alleged financial reporting fraud, financial restatements, materiality and assessment of errors, non-GAAP measures, the adequacy of SEC disclosures, and the effectiveness of internal control over financial reporting (ICFR).

In auditing matters, Ms. Forman has expertise evaluating alleged auditor misconduct under American Institute of Certified Public Accountants (AICPA) and PCAOB auditing standards, including matters alleging violations of auditor independence and quality control standards.

Ms. Forman also has expertise in financial institutions-related matters, where she has addressed allegations involving lending practices, loan loss allowances, lost profit damages, and representations and warranties related to mortgage-backed securities.

Along with being a CPA, Ms. Forman is certified in financial forensics (CFF) by the AICPA. Prior to joining Brattle, she was a Principal at Cornerstone Research, where she directed research in complex litigation and regulatory matters.

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## AREAS OF EXPERTISE

- Accounting and Auditing
- Financial Institutions
- Regulatory Investigations & Enforcement

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## EDUCATION

- **University of California**  
BA in Statistics, Applied Mathematics, and Economics

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## PROFESSIONAL EXPERIENCE

- **The Brattle Group (2023–Present)**  
Principal
- **Cornerstone Research (1996–2023)**  
Principal

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## SELECTED CONSULTING EXPERIENCE

Responsible for project management and analyses in complex litigation matters and regulatory investigations, including conceptualization of research agenda, financial modeling, creation of expert reports and exhibits, preparation of experts for testimony, and consulting with attorneys. Representative matters include:

### FINANCIAL ACCOUNTING & REPORTING

- ***Accounting for energy trading contracts.*** Retained by defendants in a securities class action matter involving the company's accounting and disclosure practices related to energy trading contracts.
- ***Financial reporting of a student lender.*** Retained by defendants in a securities class action matter to assess allegations that loan loss provisions were materially understated for a subprime segment of its loan portfolio.
- ***Disclosure of anticipated merger synergies.*** Retained by defendants in a securities class action matter involving allegedly over-inflated synergies related to a merger of two natural gas producers.

- **Semiconductor inventory.** Retained by defendants in a securities class action matter to assess allegations that a semiconductor manufacturer materially overstated the value of its inventory.
- **Level 3 fair value accounting.** Retained by an investment adviser firm in an SEC investigation of the firm’s practices related to the valuation of certain level 3 assets.
- **Revenue recognition of gaming machine sales.** Retained by management of a slot machine manufacturer in an SEC investigation to assess revenue recognition allegations related to “bill and hold” transactions.
- **Accounting for income taxes.** Retained by a multinational provider of oil and gas equipment and services in a securities class action matter and SEC investigation to evaluate tax accounting errors (including errors related to uncertain tax positions and deferred tax assets and liabilities) in the company’s GAAP financial statements that resulted in multiple restatements.
- **SEC and GAAP disclosures of expected warranty costs.** Retained by the defendant in a securities class action lawsuit, a solar panel manufacturer, to assess whether disclosures of expected warranty costs and other loss contingencies complied with GAAP and SEC disclosure rules.
- **Allegations of ineffective internal control over financial reporting (ICFR).** Retained by a student lender in a securities class action matter to assess the company’s practices related to the financial reporting of its loan portfolio and to address plaintiffs’ allegation that the company had a material weakness in its ICFR.
- **Alleged channel stuffing.** Retained by defendants in a shareholder class action matter to address allegations that the company improperly recognized revenue and failed to disclose certain known trends and uncertainties in its MD&A.
- **Valuation of real estate during the subprime mortgage crisis.** Retained by a “Big Four” accounting firm in an SEC investigation to examine a lender’s assessment of the fair value of the residential and commercial real estate collateral underlying its mortgage portfolio during the subprime crisis.

## AUDITING

- **Audit of Ponzi scheme feeder funds.** Retained by an international accounting firm to assess its audits of certain investment funds that were later found to be “feeder funds” for a multi-billion Ponzi scheme.

- **Audit of subprime mortgage lender.** Retained by a “Big Four” accounting firm in an SEC investigation to assess audit procedures related to a subprime mortgage lender’s allowance for loan losses.
- **Audit of accounts receivable factor.** Retained by a “Big Four” accounting firm in an arbitration to assess an accounts receivable factoring company’s allegations that its bankruptcy was caused by the accounting firm’s failure to perform its audit in compliance with professional standards.
- **Component audit of US subsidiary of pharmaceutical manufacturer.** Retained by a “Big Four” accounting firm in a PCAOB investigation of audit procedures pertaining to a pharmaceutical manufacturer’s accounts receivables allowance.
- **Alleged Independence violations.** Retained by a “Big Four” accounting firm in a PCAOB investigation to assess allegations that certain individuals and the firm violated the “general standard of auditor independence” under Rule 2-01(b) of Regulation S-X.
- **An accounting firm’s system of quality control.** Retained by an international accounting firm in an SEC investigation to assess the firm’s system of quality control over auditor independence.
- **Role of auditor in de-SPAC transaction.** Retained in noteholder lawsuit seeking to enforce put option relating to a de-SPAC transaction to explain the role of the auditor in a de-SPAC transaction, including requirements related to client acceptance and client continuance.
- **Auditing the fair value of oil & gas assets.** Retained by a “Big Four” accounting firm in an SEC investigation of audit procedures pertaining to the fair value of acquired oil and gas properties and fixed assets.

## OTHER EXPERIENCE

- **Fraud investigation related to topside adjustments.** Retained by the former CEO of a dialysis services provider in an SEC investigation to assess whether topside revenue adjustments were consistent with allegations of a revenue manipulation scheme.
- **Purchase price adjustment dispute.** Retained by the buyer in an arbitration involving a provision to adjust the purchase price of a home furnishings company based on changes in the target company’s working capital subsequent to the acquisition; also identified and quantified GAAP errors in the target’s financial statements.
- **Quantification of penalties in consumer protection matter.** Retained by defendant in a state action to quantify penalties related to the number of allegedly misleading marketing messages disseminated by a medical device manufacturer.

- ***US Customs and Border Protection inspection fees.*** Retained by a transportation trade association to perform a cost accounting analysis to evaluate whether inspection fees were in line with costs incurred by the members of the trade association.
- ***Puerto Rico debt restructuring.*** Retained by bondholders to explain information in the Commonwealth's GASB financial statements pertaining to the seniority of certain bonds in Puerto Rico's bankruptcy; traced accounting information in various governmental funds and cash flows in bank accounts.
- ***Enterprise risk management (ERM) of auto manufacturer.*** Retained by defendants in an SEC enforcement matter involving the failure to prevent or detect a significant fraud; examined whether the company had a reasonable basis to believe its enterprise risk management system was effective.
- ***Underwriter representations in note offering.*** Retained by defendants in a state matter to address plaintiffs' allegations that underwriters made material misrepresentations and omissions regarding an Italian waste management company's EBITDA in an offering memorandum for senior secured notes.
- ***Brazilian political corruption scandal.*** Retained by a state-owned oil company to examine how wrongdoers in an illegal contract kickback scheme circumvented the company's system of internal control over financial reporting.
- ***Alleged improper termination of Nigerian broadcast licensing agreement.*** Retained by defendants in a licensing dispute to evaluate whether the plaintiff was insolvent at the time of the termination, which allowed for termination under the license agreement.
- ***Role of CEO and CFO in financial reporting for auto parts manufacturer.*** Retained by defendants in a securities class action matter to assess the company's financial reporting process and whether management fulfilled their responsibilities under Sarbanes-Oxley.
- ***Tax benefits realized from partnership transactions.*** Retained by a partnership involved in a dispute with a former partner to calculate the tax benefits realized by the individual as a result of certain partnership transactions.
- ***Termination of tender offer.*** Retained by investor in a tender offer to assess whether an SEC's investigation into the company constituted a material liability under the termination clause of the transaction agreement.

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## PUBLICATIONS & SPEAKING ENGAGEMENTS

- *2024 Enforcement Activity Involving Auditors*, The Brattle Group (2025)

- *Enforcement Activity Involving Auditors – 2024 Mid-Year Update*, The Brattle Group (August 2024)
- *PCAOB and SEC Enforcement Activity Involving Auditors – Podcast*, The Brattle Group (2024)
- *2023 Enforcement Activity Involving Auditors*, The Brattle Group (2024)
- *SEC Accounting and Auditing Enforcement Activity– 2022 Year in Review*, Cornerstone Research (2023)
- *PCAOB Enforcement Activity – 2022 Year in Review*, Cornerstone Research (2023)
- *Accounting and Auditing Enforcement Activity – 2021 Review and Analysis*, Cornerstone Research (2022)
- “Corporate and Financial Fraud Actions Brought by the Securities and Exchange Commission,” Federal Enforcement Forum (June 2021)
- *Accounting and Auditing Enforcement Activity – 2020 Review and Analysis*, Cornerstone Research (2021)
- *Accounting and Auditing Enforcement Activity – 2019 Review and Analysis*, Cornerstone Research (2020)
- *Regulatory Actions Involving Accountants*, Cornerstone Research (2019)
- *Regulatory Actions Involving Accountants*, Cornerstone Research (2018)
- “Income Tax Accounting Restatements,” with M. Erickson, *Tax Notes* (January 2018)

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## CERTIFICATIONS/ACCREDITATIONS

2008            Certified Public Accountant (CPA)  
 2010            Certified in Financial Forensics (CFF)

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## COMMUNITY INVOLVEMENT

2010–2013    San Jose Tsunami Hockey Club  
                   *Board of Directors*  
 2017–present Feed My Starving Children  
                   “*Super Volunteer*”