Private Equity, Venture Capital & Hedge Funds

The Brattle Group's consultants and financial experts bring substantive, real-world expertise to their comprehensive analyses of issues arising in the alternative investment management sector.

Leveraging decades of experience at alternative investment advisory firms and service providers, Brattle delivers consulting and litigation support services related to the valuation of portfolio investments, including businesses, securities, and derivatives. We are also experienced in fraud investigations, Ponzi schemes, forensic accounting, asset tracing, fiduciary and regulatory oversight, risk and trade analysis, fee structures, portfolio management, and performance attribution.

Our clients include hedge funds, private equity and venture capital firms, investors, service providers, fiduciaries, and regulators. Both the prosecution and defense have retained us to address industry custom and practice, market manipulation, fiduciary obligations, the valuation of illiquid and bespoke investments, seed capital arrangements, and employment compensation disputes, among other things.

THE BRATTLE ADVANTAGE

Seasoned Practitioners

Brattle experts and our affiliated network of industry professionals are experienced and accomplished practitioners in the alternative investment management industry. Collectively, we bring this first-hand industry knowledge to bear in our work on disputes related to private equity, hedge funds, fund of funds, structured credit, seed capital arrangements, and third party service providers.

In-Demand Testifiers and Thought Leaders

Clients continue to hire us to work on notable and high-stakes disputes in the alternative investment management industry, including issues of industry custom & practice, valuation, fee disclosures, and allegations of breach of fiduciary duty and/or fraud. Brattle experts include credentialed, award-winning valuators for hard-to-value assets, and our testimony has been cited by the trier of facts for its compelling clarity and objectivity.

Neutral, Credible, and Prepared

Brattle experts feel at ease assisting on either side of disputes, having worked for both private parties and regulatory agencies. Our broad range of experience both enhances our credibility and enables us to anticipate the opposing side's arguments. As a result, opposing experts counter with fewer surprise arguments, and we are well-positioned to explain, defend, and present convincing opinions.

Data-savvy

As a complement to our deep knowledge of the alternative investment management industry, Brattle teams leverage advanced data analytics techniques to identify patterns, establish links, and maximize efficiencies in complex, data-driven investigations, particularly as they relate to Ponzi schemes or other alleged forms of fraud or manipulation. Clients also value that many Brattle experts are certified fraud examiners, with extensive experience in asset tracing.

REPRESENTATIVE ENGAGEMENTS

Lynn Tilton, Patriarch Partners, LLC, et al.

A Brattle principal was engaged as an expert in a landmark, $200 million Securities and Exchange Commission (SEC) administrative proceeding involving three structured credit products that invested in distressed companies. On behalf of Patriarch Partners, the expert provided a report on several matters, including opinions related to industry custom and practice with respect to managing a distressed debt investment strategy and loan modifications. The case judge dismissed all claims against Patriarch Partners.

In re: Fletcher International Ltd.

A Brattle principal served as special consultant to the bankruptcy trustee of Fletcher International, the master fund in a master-feeder fund structure managed by Alphonse "Buddy" Fletcher. Issues included custom and practice with respect to investment fund management, valuation of complex esoteric investments, investment fees, solvency, red flags, and Ponzi schemes. Issues also encompassed industry custom and practice with respect to fund managers and third-party service providers related to the business of Fletcher Asset Management, a registered investment adviser, and Richcourt, a fund of funds. The Brattle team researched and evaluated causes of action on behalf of the estate in support of the trustee and counsel. We also evaluated causes of action including those against law firms, accountants, administrators, and company principals.

U.S. v. Ahuja

Brattle experts consulted for and testified on behalf of the Department of Justice (DOJ) in the criminal case, *U.S. v. Ahuja, et al.*, against hedge fund managers accused of overstating the value of illiquid structured finance securities. We summarized and analyzed contemporaneous data – including relative to various pricing benchmarks – to show that the hedge fund managers selectively relied on a subset of available information about the value of the securities in question in order to over-value them. Brattle testified at trial to present this analysis to the court and the jury. The hedge fund managers were found guilty, and the court cited Brattle's analysis and testimony as a key component in the determination and sentencing.

James W. Bradshaw, et al. v. Stephen E. Maiden, et al.

On behalf of the plaintiff, Brattle provided deposition testimony in a dispute regarding the services ordinarily provided by a third party administrator, SS&C Fund Services, for the hedge fund Maiden Capital Opportunities Fund, LLC. The performed services were set forth in the services agreement between the two parties and consistent with general industry standards, including general expectations regarding the standard of care.

Dispute related to portfolio of bespoke swaps

On behalf of a global investment management firm, Brattle worked on a matter related to the value of the client's portfolio of credit default and interest rate swaps, including bespoke swaps with Lehman Brothers, at the time of Lehman's bankruptcy. Brattle consultants and an affiliated academic expert assessed the reasonableness of the investment management firm's claim against Lehman, taking into account the complex assets in the non-defaulting counterparty's portfolio as well as the relevant contemporaneous market conditions. The case resulted in a favorable settlement for the investment management firm.

Public Sector Pension Investment Board v. Saba Capital Management, L.P.

On behalf of Saba Capital Management, Brattle provided an expert report in a litigation brought forth by one of Canada's largest pension boards. A Brattle expert evaluated issues related to industry custom and practice with respect to marketing illiquid investments for sale, including the use of bids-wanted-in-competition (BWIC). The consultant also examined industry custom and practice with respect to valuing illiquid investment positions, hedge fund ecosystems, and fair value measurements. The matter settled.

Ponzi scheme: *Anwar v. Fairfield Greenwich Limited*

In a case arising out of the Madoff Ponzi scheme, a Brattle principal provided analysis and expert testimony. Their findings addressed the nature of the associated hedge fund organizations and the role of a securities custodian together, with the duties and responsibilities of the securities custodian based upon industry standards and practices as well as the service agreement executed with the fund.

Ponzi scheme: *Petters Company Inc. Liquidating Trust*

A Brattle principal was retained in litigation related to clawback claims stemming from the Petters Ponzi scheme. The principal issued two expert reports related to fraud, solvency, and asset tracing; as well as hedge fund industry custom and practice, including the calculation of management and performance fees

ABOUT BRATTLE

The Brattle Group answers complex economic, finance, and regulatory questions for corporations, law firms, and governments around the world.

We are distinguished by the clarity of our insights and the credibility of our experts, which include leading international academics and industry specialists. Brattle has over 500 talented professionals across North America, Europe, and Asia-Pacific. For additional information, please visit **brattle.com/practices/private-equity-venture-capital-hedge-funds**.