

GOVERNMENT ENFORCEMENT AND SPECIAL INVESTIGATIONS GROUP

OVERVIEW

The Vedder Price Government Enforcement and Special Investigations group has a long history representing companies, boards of directors, board committees, executives and other individuals in a broad range of government and regulatory investigations, internal investigations, white collar criminal investigations and litigation. Our experienced team features attorneys who have served as prosecutors with the U.S. Department of Justice, the Securities and Exchange Commission, other government agencies and self-regulatory organizations.

We bring substantial resources to assist our clients facing governmental inquiries. We have the ability to mobilize quickly and to efficiently deploy the necessary resources to understand the potential issues and develop a well-thought-out defense strategy. We understand the financial and reputational stakes involved in these sensitive matters. One of our greatest strengths is working closely and credibly with the government to resolve its concerns before the commencement of an enforcement action or prosecution. However, when the situation demands, we vigorously defend enforcement actions and criminal prosecutions, drawing on the deep resources of the firm to effectively represent our clients.

We are frequently retained by boards of directors and board committees to conduct internal investigations into allegations raised by government agencies and whistleblowers. We advise corporate clients regarding the establishment and implementation of compliance programs, and we promote proactive and early remediation to maximize benefits to the company and enhance the possibility of receiving cooperation credit from regulators and prosecutors. We are also on the leading edge of complex and challenging regulatory and compliance issues facing our clients such as the Foreign Corrupt Practices Act and Dodd-Frank Act.

Vedder Price attorneys have significant experience in the following areas.

Companies and Officers/Directors

We regularly represent companies and their officers and directors in connection with securities enforcement, FDIC, white collar criminal investigations and internal investigations relating to alleged violations of federal laws, corporate misconduct and whistleblower allegations. Our attorneys have experience in a broad range of matters, including:

- Financial fraud, accounting irregularities and restated financial statements
- Corporate disclosures
- Officer and director liability
- Whistleblower allegations and related investigations
- Corporate governance, internal controls and remediation

Our services in this area are augmented by the talents of our litigation team in the cases that are often filed as a result of the allegations.

Investment Advisers and Funds

Vedder Price has a nationally recognized Investment Services practice that works in unison with our Government Enforcement and Special Investigations group. Our Government Enforcement and Special Investigations attorneys have extensive experience defending enforcement proceedings and conducting internal investigations involving investment advisers, commodities trading advisers and investment companies. Our attorneys draw upon the deep technical expertise of our Investment Services group in dealing with issues relating to the federal securities laws.

Hedge funds are currently a major investigative priority for federal regulators and prosecutors; the federal government continues to commit significant resources to investigate and prosecute conduct relating to hedge funds. Our Government Enforcement and Special Investigations attorneys are well equipped to deal with cutting-edge areas of the law impacting hedge funds.

Our attorneys regularly handle all aspects of regulatory examinations, investigations and proceedings involving investment advisers, investment companies, hedge funds and fund directors or trustees. Our attorneys have a broad range of experience in this area, including:

- Fraud arising under the Securities Exchange Act, Investment Advisers Act and Investment Company Act
- Conflicts of interest and disclosure
- Governance/compliance breakdowns and related remediation
- Board governance and oversight
- Matters relating to proper supervision
- Self-reporting to regulators
- Mock audits and internal investigations

Broker-Dealers

Our Government Enforcement and Special Investigations attorneys have defended broker-dealers in enforcement inquiries, investigations and proceedings initiated by the SEC, the DOJ, FINRA and other self-regulatory organizations and state agencies. Our attorneys also regularly provide guidance to broker-dealers on regulatory, compliance and operational issues, as well as conducting internal investigations and providing mock audit services to help proactively manage governmental scrutiny.

Accounting Firms

Our Government Enforcement and Special Investigations attorneys, complemented by the broad experience of our Accounting Law and Regulations group, provide our accounting professional clients with sophisticated, practical and cost-effective approaches to legal, regulatory and compliance issues. Our attorneys have extensive experience representing accounting firms and professionals in compliance matters, investigations, and disciplinary and enforcement

proceedings brought by the SEC, PCAOB, state licensing authorities and professional accounting associations. These skills have proved particularly valuable to accounting firms and professionals in this era of heightened scrutiny of the profession.

Financial Institutions

Vedder Price actively represents banking and savings institutions as well as other providers of financial services throughout the United States in a broad spectrum of matters. Our Government Enforcement and Special Investigations attorneys routinely represent and have deep experience representing financial institutions during inquiries by the SEC, the FDIC, the DOJ and various other federal and state regulatory authorities. Our team's experience is bolstered by the presence of our top-tier Financial Institutions group, whose members include former senior officials from a number of bank regulatory agencies.

Insider Trading

Insider trading regulation continues to be a very high priority of the SEC, the DOJ and other regulators. Our attorneys have handled a broad range of insider trading matters, including cases involving corporate disclosures, mergers and acquisitions, executive compensation and expert networks.

Foreign Corrupt Practices Act

Our Government Enforcement and Special Investigations attorneys have experience conducting investigations and representing clients in matters involving the FCPA. We also routinely counsel companies in connection with FCPA compliance programs and due diligence.

White Collar Criminal Defense

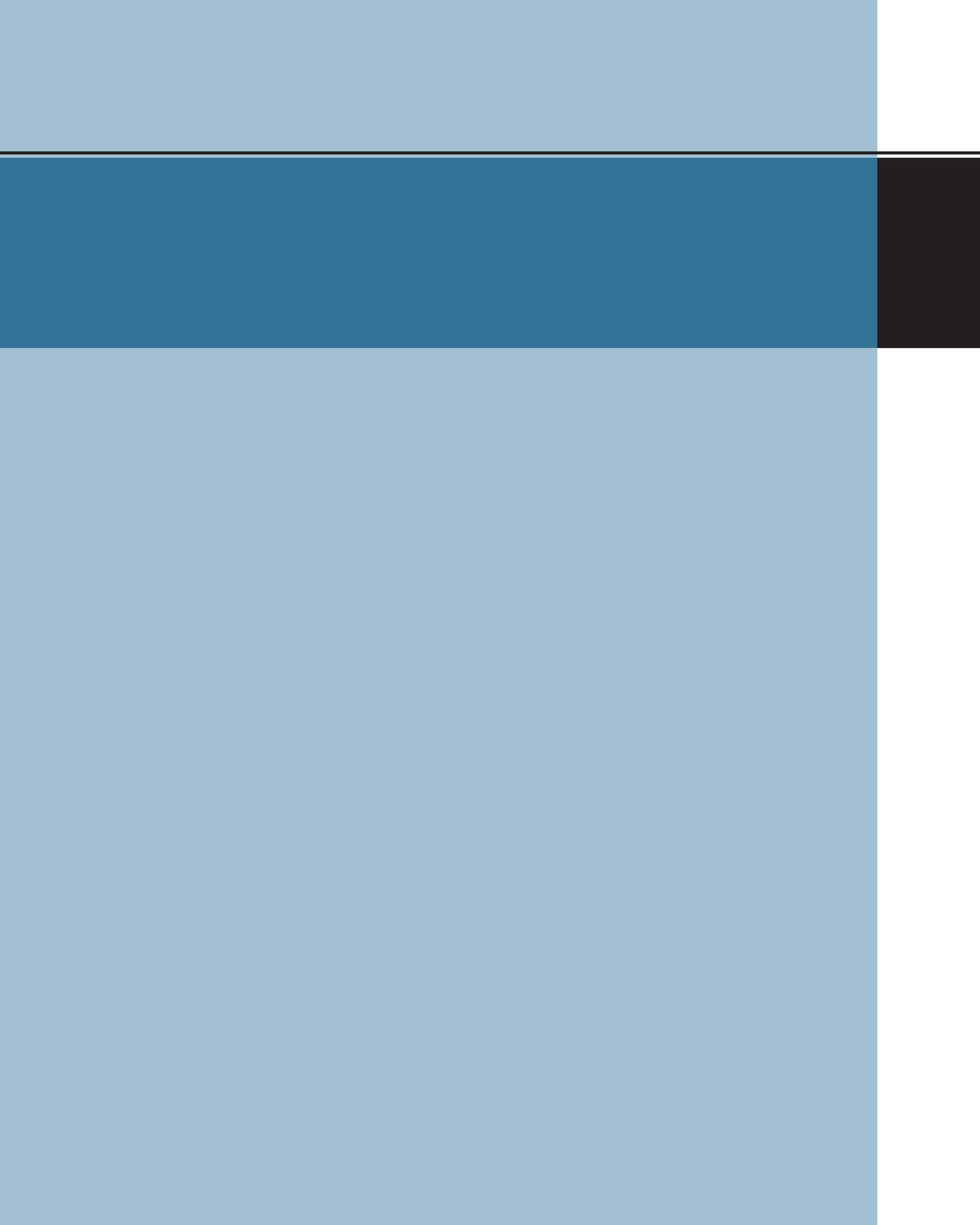
Although our primary objective will be to convince government authorities not to commence criminal proceedings, in the event of a criminal prosecution, we have former Assistant U.S. Attorneys and experienced defense attorneys to represent companies and individuals throughout the trial and any necessary appellate proceedings.

GOVERNMENT ENFORCEMENT AND SPECIAL INVESTIGATIONS GROUP

REPRESENTATIVE EXPERIENCE

- Representing the CEO of publicly traded company in an SEC investigation, follow-on securities class actions and derivative litigation involving revenue recognition issues that stem from the company's announcement to restate its financial statements
- Conducted a thorough internal investigation and successfully represented a publicly traded company and its executives in a financial fraud investigation by the SEC; successfully convinced the SEC to not pursue enforcement action during Wells process
- Conducted a thorough internal investigation and successfully represented an investment adviser and its officers in an SEC investigation involving conflicts of interest relating to its portfolio managers; the SEC did not pursue enforcement action against our client and recognized the investment adviser's cooperation in a press release announcing action against former employees
- Successfully represented the CEO of a large consulting company in an SEC investigation, class action and derivative litigation concerning the restatements of the company's financial statements; the SEC did not pursue any misconduct-based claims against our client
- Successfully represented the independent trustees of an investment fund in an SEC investigation involving the appropriateness of risk disclosures and oversight
- Conducted a thorough internal investigation for investment advisers relating to potential claims with respect to foreign exchange transactions
- Successfully represented the independent trustees of a mutual fund in an SEC investigation involving conflicts of interest allegations and supervision issues
- Successfully represented the CEO of a major publicly traded corporation in federal criminal and SEC proceedings
- Successfully represented a bank in an SEC investigation involving possible insider trading
- Successfully represented an executive in an insider trading investigation by the SEC relating to a complex hedging transaction
- Successfully represented executives of a major automobile manufacturer in an accounting fraud and disclosure investigation by the SEC
- Successfully represented a registered representative in an investigation by FINRA and the states of Illinois and Nebraska
- Successfully represented the chairman of a publicly traded company in a federal court lawsuit filed by the SEC in the Northern District of Illinois

- Successfully represented a currency trading firm and its principals in a FINRA enforcement proceeding alleging excessive markups and commissions
- Successfully represented a publicly traded company and its executives in a financial fraud investigation by the SEC
- Handled several investigations brought by the SEC and then-New York Attorney General Eliot Spitzer on alleged kickbacks in connection with insurance products and other financial fraud
- Conducted an internal investigation for a publicly traded corporation related to allegations of potential bribery in Southeast Asia
- Conducted an internal review for an international bank with respect to mutual fund market-timing and late-trading issues
- Conducted an internal investigation for a major waste disposal company concerning the proper handling of hazardous waste
- Conducted an internal investigation of fraudulent financial reporting
- Represented the CEO of a publicly traded food industry company in the SEC and Department of Justice investigations and proceedings and parallel shareholder litigation
- Defended a client in a government fraud investigation targeting the executives of a major government contractor
- Conducted internal investigations for banks and other financial institutions on a range of matters
- Defended a client in an antitrust price-fixing prosecution
- Handled plea negotiations for the CEO and the CEO's company on charges of violations of the Food and Drug Act by an importer
- Handled plea negotiations for the chief executive of a customs broker on charges of violation of the Export Control Act
- Defended a client in an investigation of an automobile parts manufacturer for possible violations of the Customs Act
- Defended hedge fund managers in SEC and state securities department investigations
- Defended an investment adviser and its officers in federal grand jury and SEC investigations
- Defended health care providers in civil and criminal investigations involving alleged Medicare fraud
- Conducted an internal investigation for a major oil company into allegations of bribery and kickbacks related to North Sea oil platforms
- Conducted an internal investigation into irregularities in tire, battery and accessory inventories, kickbacks and payments to employees of a major petroleum marketer
- Conducted an internal investigation into kickbacks to an employee in the bookselling industry



ABOUT VEDDER PRICE

Vedder Price is a thriving general-practice law firm with a proud tradition of maintaining long-term relationships with our clients, many of whom have been with us since our founding in 1952. With approximately 300 attorneys and growing, we serve clients of all sizes and in virtually all industries from our offices in Chicago, New York, Washington, DC, London, San Francisco and Los Angeles.

Corporate Services

The corporate practice is Vedder Price's largest practice area and provides legal services to clients around the world, ranging from large, publicly held corporations to small, emerging companies, as well as numerous partnerships and individuals. This highly regarded practice efficiently handles all types of business and financial matters for clients including:

- Antitrust
- Aircraft Finance
- Bankruptcy and Reorganizations
- Business Immigration
- Corporate and Commercial Finance
- Environmental
- Estate Planning and Administration
- Executive Compensation
- Financial Institutions
- Fund Formation
- Global Transportation Finance
- Insurance and Risk Management
- Intellectual Property
- International Transactions
- Investment Management
- Mergers and Acquisitions
- Project Finance
- Real Estate, Land Use and Zoning
- Records Management and eDiscovery
- Securities
- Tax
- Trade and Professional Association Law
- Venture Capital and Private Equity

Labor and Employment

Vedder Price is acknowledged as a premier labor and employment law firm. Clients of this practice include large corporations, smaller professional and business corporations, multi-employer trust funds, investment managers and other plan fiduciaries in matters involving:

- Arbitration
- Collective Bargaining
- Employment Discrimination
- Equal Employment Opportunity
- ERISA and Employee Benefits
- NLRB Proceedings
- Occupational Safety and Health Law
- Union Welfare Plan Litigation
- Wrongful Discharge Cases

Litigation

Attorneys in our litigation practice handle client matters in trial and appellate courts, before administrative agencies and in arbitration and other alternative dispute resolution contexts. Our litigation attorneys have extensive experience in representing clients in matters involving:

- Alternative Dispute Resolution
- Antitrust and Unfair Competition
- Bankruptcy
- Business Torts
- Commercial Disputes
- Construction Law
- Contracts and General Business
- Distribution, Dealer Termination and Franchise Matters
- Environmental
- ERISA
- Federal Tax
- Financial Institutions
- Government Contracts
- Health Law/Medicare–Medicaid
- Insurance Coverage and Defense
- Intellectual Property
- Lender Liability
- Manufacturer Liability
- Product Liability and Toxic Tort
- Professional Liability
- Real Estate and Condemnation
- Records Management and eDiscovery
- Restrictive Covenants and Trade Secrets
- Securities Litigation and Shareholder Disputes
- Trust and Fiduciary
- White Collar Criminal Defense

Commitment to Diversity

Diversity is a high priority at Vedder Price. We are committed to enhancing the diversity of our workforce and promoting the likelihood of success for all people at Vedder Price to the best of our ability. We dedicate time, energy and financial resources to achieve our goal. Our focus includes the recruitment, hiring, retention, training, professional development and advancement of a diverse group of attorneys and other employees on the basis of demonstrated merit and performance. We also maintain and enhance an inclusive culture at Vedder Price in which individual differences are respected and appreciated, recognized as a source of strength for the firm and valued as qualities that enrich our working environment and our ability to serve our clients.

Tradition of Public Service

In addition to serving our clients, many of our attorneys participate in or otherwise support legal assistance for the indigent and other forms of community service. Vedder Price has a long history of support for pro bono services. One of the firm's founders helped establish the Legal Assistance Foundation of Chicago, and his commitment to pro bono activities was instilled in the firm and continues to this day. Additionally, the firm strongly endorses bar association and other professional activities. A Litigation Shareholder served as President of the Chicago Inn of Court. Other attorneys have authored treatises or undertaken various teaching, writing and speaking responsibilities and continue to do so. The firm encourages and supports the public service activities of its attorneys.

Attorney Profiles

JUNAID A. ZUBAIRI

Shareholder



Client Services

- Broker/Dealer
- Class Action Defense
- Complex Litigation
- Directors & Officers
- Government Enforcement & Special Investigations
- Investment Services
- Securities & Capital Markets
- Securities Litigation

Education

- Loyola University Chicago School of Law, J.D., 2002
- Loyola University Chicago, B.A., 1999, *cum laude*

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Chair, Government Enforcement and Special Investigations Group

Mr. Zubairi is the Chair of Vedder Price's Government Enforcement & Special Investigations practice and regularly practices before the Securities and Exchange Commission (SEC), U.S. Attorney's Office, U.S. Commodity Futures Trading Commission (CFTC) and other federal and state agencies.

His practice includes representing companies and individuals in government investigations and securities litigation, conducting internal investigations, advising clients on investment services matters, counseling clients during regulatory examinations, counseling clients on Foreign Corrupt Practices Act (FCPA) matters and providing general compliance and remediation advice.

Mr. Zubairi has successfully represented public companies, investment advisers, broker-dealers, accounting firms and officers and directors in complex matters involving financial statement restatements, alleged financial fraud, books and records and internal control violations, whistleblower allegations, conflicts of interest, board governance and oversight, supervision and insider trading.

Prior to joining Vedder Price, Mr. Zubairi was a senior attorney with the SEC, Division of Enforcement. At the SEC, Mr. Zubairi was the lead attorney on numerous high-profile investigations and litigations involving

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investment adviser and broker-dealer misconduct, financial fraud, officer and director liability, insider trading and pay-to-play practices. Mr. Zubairi spearheaded several complex investigations that resulted in substantial settlements against large public companies.

Further, while at the SEC, Mr. Zubairi also coordinated effective parallel investigations with federal and state agencies, including the U.S. Attorney's Office, the FBI, Financial Industry Regulatory Authority and the Illinois Commerce Commission.

For his outstanding work, Mr. Zubairi received the Division of Enforcement Director's Award, as well as several Special Act awards.

Mr. Zubairi was selected for inclusion from 2010 to 2012 in *Illinois Rising Stars*. In 2013 and 2014, he was ranked in *Chambers USA* as "Up and Coming" in the Illinois Litigation: White-Collar Crime & Government Investigations category, and in 2015, he was recognized as "Other Noted Practitioner."

Mr. Zubairi regularly speaks at conferences and seminars regarding securities topics. He was also recently mentioned in the *SEC Today* publication, "Panelists Discuss Regulators' Concerns and Defense Strategies at ALI-ABA Conference," and in the *Compliance Week* article, "SEC to Focus More on Data in Examinations, Inspections."

Bar Admissions

- Illinois, 2002

Court Admissions

- U.S. District Court, Northern District of Illinois, 2002
- U.S. Court of Appeals, Seventh Circuit

Affiliations

- Past Regional Co-Chair, Association of SEC Alumni (ASECA)
- Member, Chicago Bar Association

Recent Publications

- Co-author, "Highlights from SEC Speaks 2014," *Securities Litigation and Enforcement Trends*, February 2014
 - Co-editor, *Securities Litigation and Enforcement Trends*, October 2012
 - Co-author, "Continued Uncertainty Surrounding the Future of the SEC's 'Neither Admit Nor Deny' Settlement Practice," *Securities Litigation and Enforcement Trends*, May 2012
 - Co-author, "Recent SEC Enforcement Actions Signal Shift to More Proactive Approach to Hedge Fund Regulation," *Securities Litigation and Enforcement Trends*, May 2012
 - Co-author, "Recent SEC Enforcement Action Raises Questions About Implications of Foreign Law in Responding to Subpoena," *Securities Litigation and Enforcement Trends*, May 2012
 - Co-author, "SEC Speaks 2012," *Securities Litigation and Enforcement Trends*, May 2012
 - Co-author, "Second Circuit Interprets *Morrison*: Domestic Transactions in Securities on a Foreign Exchange," *Securities Litigation and Enforcement Trends*, May 2012
 - Co-author, "*Janus Capital Group, Inc. v. First Derivative Traders*: Supreme Court Rules Regarding Liability of Secondary Actors," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "Supreme Court Determines That Plaintiffs Do Not Need to Prove Loss Causation in Order to Obtain Class Certification in Federal Securities Fraud Actions," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "The SEC Settles Yet Another Section 304 Clawback Case against an 'Innocent' Executive, but Litigation Regarding the Meaning of 'Misconduct' May Continue in *SEC v. Jenkins*," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "New Whistleblower Rules Adopted by SEC," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "Sixth Circuit Applies 'Holistic' Approach to Inference of *Scienter* in Securities Fraud Claims: *Frank v. Dana Corp.*, Part IV," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "Limitation to *Morrison* in Criminal Securities Fraud Cases: *United States v. Mandell*, Case No. 09 Cr. 0662 (S.D.N.Y. Mar. 16, 2011)," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "Recent SEC Pronouncements Designed to Foster Cooperation," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "Appeals Court Vacates SEC's Proxy Access Rule," *Securities Litigation and Enforcement Trends*, October 2011
 - Co-author, "FCPA Trends," *Securities Litigation and Enforcement Trends*, April 2011
 - Co-author, "SEC Aggressively Targets Insider Trading and Expert Networks," *Securities Litigation and Enforcement Trends*, April 2011
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- Co-author, "Supreme Court Determines Materiality Standard for Adverse Event Reports," Securities Litigation and Enforcement Trends, April 2011
 - Speaker, National Regulatory Services seminar, "Books and Records Management for Investment Advisers," March 8, 2011

Speaking Engagements

- Speaker, "Internal Investigations 2015," PLI Program, June 9, 2015
- Speaker, "Internal Investigations 2014," PLI Program, June 10, 2014
- Panelist, "Updates in Securities Litigation and Enforcement," 34th Annual Ray Garrett Jr. Corporate and Securities Law Institute, May 1-2, 2014
- Speaker, "Foreign Corrupt Practices Act and Anti-Corruption Laws in Contracting: What You Don't Know Can Hurt You," ABA Forum on The Construction Industry 2013 Fall Meeting, September 27, 2013
- Speaker, "Accountants' Liability: Managing Risks in a Changing Environment," The American Law Institute Continuing Legal Education, September 20, 2013
- Panelist, "Recent SEC Enforcement Trends in the Asset Management Industry," Association of SEC Alumni (ASECA), August 6, 2013
- Speaker, PLI Program, "Internal Investigations 2013," June 11, 2013
- Speaker, ICPAS Fraud Conference, "Targeting Diversity: A Panel Discussion on Affinity Fraud and the Responsibility to Prosecute," September 20, 2012
- Speaker, ALI-ABA, "Accountants' Liability: Litigation and Issues in the Wake of the Financial Crisis," September 14, 2012
- Presenter, National Regulatory Services seminar, "SEC Examinations for Investment Advisers," August 16, 2011
- Speaker, National Regulatory Services seminar, "The New Form ADV Delivery Requirements, Contracts and Insider Trading under the Advisers Act," July 19, 2011

RYAN S. HEDGES

Shareholder



Client Services

Complex Litigation
 Government Enforcement & Special
 Investigations
 Securities Litigation

Education

- University of Southern California Gould School of Law, J.D., 2001
- Northwestern University, B.S., 1993

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Ryan S. Hedges is a Shareholder in the Litigation practice area in the Chicago office of Vedder Price.

Mr. Hedges is an experienced trial attorney having successfully tried ten federal criminal cases and argued six federal appeals. Mr. Hedges also has significant experience leading complex investigations of individuals and corporations suspected of white collar crimes such as health care fraud; investment, securities and commodities fraud; mail and wire fraud; money laundering; and tax crimes including violations of the Anti-Kickback Statute, the False Claims Act and the Food, Drug and Cosmetic Act, among other federal statutes.

Prior to joining Vedder Price, Mr. Hedges served for seven years as an Assistant United States Attorney in Chicago investigating and prosecuting a broad array of complex financial crimes, receiving numerous commendations from the Federal Bureau of Investigations and other agencies for his work. During his tenure, Mr. Hedges prosecuted some of the largest and most complex health care fraud cases recently charged in the Northern District of Illinois, including the investigation and indictment of 11 administrators and doctors at the former Sacred Heart Hospital, which culminated in 2015 with a seven-week jury trial and guilty verdicts against the hospital's owner and CEO and two other top administrators.

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In 2015, the Sacred Heart Hospital prosecution received the prestigious Investigations Award for Excellence from the Council for the Inspectors General on Integrity and Efficiency (CIGIE) after nomination by the U.S. Department of Health and Human Services Office of Inspector General (HHS-OIG).

Mr. Hedges previously served as a law clerk to the Honorable Kim McLane Wardlaw of the U.S. Court of Appeals for the Ninth Circuit. While in law school, Mr. Hedges served as Editor-in-Chief of the *Southern California Law Review*.

Bar Admissions

- Illinois, 2005
- California, 2001

Court Admissions

- U.S. District Court, Northern District of Illinois Trial Bar, 2007
- U.S. Court of Appeals, Seventh Circuit, 2006
- U.S. District Court, Northern District of Illinois, 2005
- U.S. Court of Appeals, Ninth Circuit, 2002
- U.S. District Court, Eastern District of California, 2002
- U.S. District Court, Central District of California, 2001