

MARTIN DIRKS

268 Bush Street, # 3631
San Francisco, CA 94104

Telephone: (415) 845-7829
Fax: (253) 248-0027

InvestmentStrategyAnalysis@gmail.com
<https://isacm.com>



Mr. Dirks is an expert in hedge fund strategies, securities selection, portfolio management and other investment-related issues. He researched fraud and misrepresentation by publicly-traded companies as a short seller from 1989 through 2010. Cryptocurrencies – Bitcoin, Bitcoin Cash, Ethereum, Ripple and other forms of cryptocurrency – are a new frontier in finance and a special focus.

Marty Dirks has provided investment consulting, investment research and expert witness services to investment funds and law firms at his own firm, Investment Strategy & Analysis, since 2004. From 2012 to 2017, he also provided investment consulting and expert witness services as part of Milliman, Inc., an international consulting firm with more than 3,000 employees worldwide. At Milliman, he was the sole investment advisor for several defined benefit and defined contribution pension plans, endowments and foundations. He also performed asset allocation studies, manager selection searches and monitored investment managers.

Prior to 2004, Mr. Dirks managed Dirks Capital Management, a firm managing long/short equity hedge fund (2000-2002) and sub-advising a long-only portfolio for Davidson Investment Advisors (2001-2004), the investment management subsidiary of DA Davidson. He managed a long/short equity portfolio for Harvard University's endowment (1994-1999) which generated an average unleveraged annual return on investment of 43% per year, increasing the portfolio from \$110 million at December 1993 to \$870 million at June 1999. Mr. Dirks also worked as an equity analyst for Odyssey Partners (1991-1993), a \$2 billion hedge fund managed by Jack Nash and Leon Levy, (co-founders of Oppenheimer & Co.) and Feshbach Brothers (1989-1991), a \$1 billion short-only equity hedge fund.

His corporate industry experience includes working as a senior financial planning analyst at Cooper Industries (1987-1989), a Fortune 100 manufacturing company, and as a program manager/product engineer at Texas Instruments (1979-1985), a leading semiconductor manufacturing company. He continues to be active in the technology industry serving as an advisor to two early-stage technology companies, Inferess and HedgeSight.

Mr. Dirks has been an adjunct professor of finance at Golden Gate University in San Francisco since 2006 and currently teaches Portfolio Management, the advanced investments course for the MBA program. He was the director of research at McCullough & Associates, a value equity manager, from 2010-2012. He has been a board member for the Federated Retirement System

for the City of San José since 2010 where he works with staff on manager selection and investment strategy issues. From his roles as an Adjunct Professor and Investment Consultant he has proven his ability as a confident public speaker with the ability to convey technical concepts to diverse audiences. Mr. Dirks has been a speaker at more than 30 conferences in the past ten years.

Representative Litigation-Relevant Experience

Business Valuation Experience

- Fund of Hedge Funds – Prepared valuation analysis for fund of hedge funds under damaged and undamaged scenarios.
- Hedge Fund – Prepared valuation analysis of long/short equity hedge fund.
- Private business – As a corporate merger and acquisition analyst, prepared many discounted cash flow-based valuation analyses with and without synergies. Several businesses recommended were subsequently acquired.
- Publicly-traded businesses – As an institutional investor, prepared valuation analyses for hundreds of publicly-traded businesses and executed transactions in the public markets based on these valuations. Individual stock positions were up to \$70 million in size.

Complex Damages Calculation Experience

- Calculated damages for options arbitrage hedge fund due to margin calls miscalculated by the prime broker, a top five international investment bank.
- Calculated damages for loss of option value of warrants issued by publicly-traded company which were not allowed to be exercised according to the contractual agreement.

Investment and Corporate Financial Fraud Experience

- Evaluated fund of hedge funds, which invested in a Ponzi Scheme, for inappropriate business practices: due diligence, accounting, anti-money laundering policy and client communications.
- Analyzed financial statements of corporation using bankruptcy and fraudulent conveyance (inappropriate expense allocation to fraudulently transfer assets) to avoid creditor's claims.
- As an institutional investor, analyzed hundreds of publicly-traded corporations with accounting fraud or other misrepresentation for short selling and executed the resulting investment transactions.
- Defense expert for hedge fund criminal fraud cases, People vs. Glenn Jackson [Fund: Highland Capital Partners] (2013) and People vs. Chad Sloat [Fund: Black Diamond] (2012).

Testimony Experience

- Deposition and Testimony, American Arbitration Association, January 2008, for options arbitrage fund case.

- Testimony, American Arbitration Association, December 2015, hedge fund intellectual property.
- Deposition, June 2018, class action against corporate defined contribution pension plan.

Education

Harvard Business School, Boston, Massachusetts
Master in Business Administration, 1987. Ellis/LeBaron Fellowship recipient.

Bemidji State University, Bemidji, Minnesota
Bachelor of Science in Engineering Physics, 1979, *summa cum laude*.

Other education:

Yale University/Commonfund, New Haven, Connecticut
Endowment Institute (2014)

Bar Association of San Francisco, San Francisco, California
Deposition Bootcamp (2009)

McMillan Analysis, Burlingame, California
Advanced Options Seminars (2005)

International Trading Institute, Chicago, Illinois
Trading & Pricing for the Professional Options Trader (2004)

Market Compass, San Francisco, California
Advanced Options Curriculum (2002)

Affiliations:

Current:

Board Member, Federated Retirement System for the City of San José
Adjunct Professor of Finance, Golden Gate University
Event Coordinator, CALAPRS Trustee Roundtable
Member, Global Association of Risk Professionals
Member, Gerson Lehrman Group Councils
Advisory Board, Inferess, Inc.
Advisory Board, HedgeSight

Prior:

Member: Investment Industry Advisory Board, Zyme Solutions
Advisory Board, Silicon Valley Venture Capital – Private Equity Roundtable
Advisory Board, Commonfund Hedge FundDirect Strategies

A complete list of publications and speaking engagements is available upon request.